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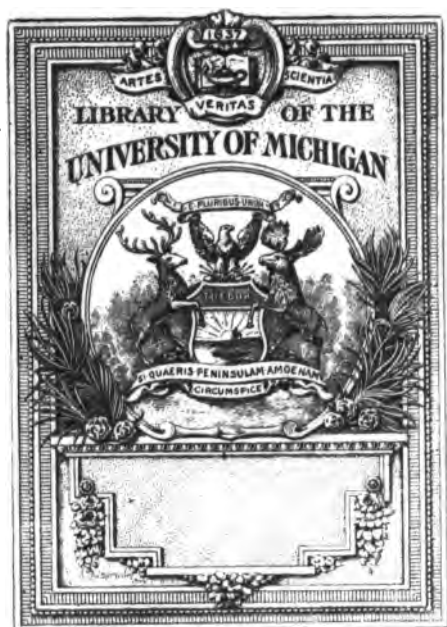
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Analytical⁷C

The advertising man should ascertain the status of a commodity in general. This enables him to judge as to determining to what degree it meets or fails to meet certain standards regarded from three viewpoints.

New York:
Published by Gerald B. Wadsworth
1918



Principles and Practice of Advertising

By
Gerald B. Wadsworth

New York:
Published by Gerald B. Wadsworth
1918

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DEDICATION

Probably nothing connected with the publishing of this book gives the author greater pleasure than that of dedicating it to

LEROY FAIRMAN

the man who gave it a chance.



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FOREWORD

THERE has been much controversy upon the subject of what advertising is. It has been designated as a science, an art, a gamble, a profession and in other ways.

Advertising is advertising. Whatever its status is at present, or may become in the future, can be easily ascertained by a process of deduction. The first step is to ascertain exactly how these terms are defined by the authorities.

One authority says that art is a "means employed toward gaining some end." Another defines it as "practical application of knowledge."

Science is defined as "knowledge duly arranged and referred to general truths and principles." Again, as "the comprehension or understanding of truth or facts by the mind." Further, "art derived from precepts or built on principles."

A game is "an exercise or play for amusement or winning a stake." "Some games depend on skill, others on hazard."

To gamble is "to wager or to pledge; to put at hazard upon the issue of competition, or upon a future contingency."

A profession is defined as "a collective body of men engaged in a calling." Another, "The business which one professes to understand and follow for subsistence." "We speak of learned professions, but the word is not applied to an occupation merely mechanical."

From this evidence let us make our deductions.

The production of advertising matter is engaged in by a large number of men. It is not a mechanical occupation. It is not labor. It is therefore a profession. Whether its practice is successful or unsuccessful depends upon the

knowledge of the practitioner and his ability to make the proper application of his knowledge. Therefore

The Practice of Advertising Is a Profession

Having ascertained what the practice of advertising is, let us go farther and see what may result from a systematization of the practitioner's knowledge.

Every profession passes through at least three stages—the gamble stage, the skill stage and the art or science stage. The first two of these stages are dependent upon individual knowledge. The second two upon collective knowledge. Advertising left the gamble stage behind some years ago, and, having passed almost through the skill stage, is now approaching a point where it will be entitled to classification as a science. Its practice is an art.

The distinction between art and science is a delicate one. Art is that which depends on practice or performance, while science depends on abstract or speculative principles. If the production of an advertisement constituted all there is to advertising, then it might become an art.

A man paints a picture—and you are at once able to judge as to whether it is good or bad. There is no guess work about it—you know, because it meets or fails to meet one or more of the prescribed rules of art. The value of an advertisement is dependent upon the results it produces. No matter how carefully an advertisement is constructed, its value must of necessity be speculative, regardless of the exactness of the methods employed. Therefore,

When Advertising Shall Progress Beyond the Skill Stage It Will Be a Science.

Science denotes those branches of knowledge which were speculative, but now give a positive statement of truth, as founded in the nature of things or as established by observation or experiment.

There are many advertising truths which have been established as the result of observation and experiment. All that is required to form the basis of a science is an arrangement of these truths in positive form.

While a number of interesting and instructive books have been written upon the subject of advertising, many of which have been of great value, there has been no comprehensive work in which the principles of advertising are stated in a positive form or classified in such a manner as to give it the scientific standing necessary for an accepted text book.

Every acknowledged profession except advertising bases its structure upon certain fixed and acknowledged principles. From time to time a principle is modified, amplified or nullified according to the evidence in hand.

No profession is so broad in its scope as advertising. None offers such exceptional opportunities. Notwithstanding these facts there has been no guide which can be given to the student with the statement that its careful study will provide the knowledge of necessary fundamentals.

It is the purpose of this work to lay the foundation for more comprehensive advertising text books by formulating a range of concrete axioms, based on the order of things or as the result of experiment and observation. They are presented in the hope that they will benefit the student and arouse the interest of advertising men to such an extent as to result in their being either accepted or corrected as the case may be.

PREFACE

HAVING arrived at the conclusion that advertising is a profession which may become a science, it is in order to consider its scope, purpose and the conditions which are responsible for its existence.

Doctor Hornaday, of the Museum of Natural History, says that the study of physiology has been entirely turned about in recent years, because instead of starting with the atom and working up to some full-grown animal, as in previous years, the method is now to take the full-grown animal and work back to the atom.

Inasmuch as animal life is not man-made, the dissecting process is probably better for such a case. Advertising, however, *is* man-made and, like all man-made things, has its origin in some condition that is *not* man-made. Things that are not man-made are as they are, and there is nothing to do but to go back, step by step, and discover *how* they are so. With man-made things the method involves starting at the source and working up, step by step, to find out *why* they are so.

Trace advertising back to the source which is responsible for its being, and its basic cause will be discovered in those things that are produced by nature, which are useful to mankind—*i.e.*, *Products*.

Starting at Products, we will build up sequentially until we reach advertising. After having obtained a knowledge of its causes and utility we will be in a position to handle its construction and application with a greater degree of intelligence and confidence than would otherwise be possible.

To vary the monotony of the program, we will make a double start; the one at the cause and the other at the form—namely, the formulation of axioms.

A Product Is a Natural Creation Reduced to Practical Form By Human Effort

No matter what you use, for any purpose, it is either a creation of nature, or a combination of such creations, that have been rendered practical for the purpose intended either by labor, machinery or art, or two of them, or all of them.

Nature produces nothing that is of value to mankind commercially until it has been attended by human effort. Mineral products, for instance, require refining, with some exceptions; coal, however, can be used without refining, but it has to be mined and reduced to suitable size for use, which requires labor.

There Are Two Kinds of Products—Natural and Artificial

A natural product is one that can be reduced to a state of usefulness without any change of species. Artificial products are natural products which have been reduced to some useful condition by artificial means. For instance, crude oil is a natural product that becomes an artificial product by a refining process—metals by smelting, grains by milling, etc.

An Artificial Product Is a Commodity

The reduction of a natural product to an artificial product is for the purpose of making it of use by itself, or in combination with other products. In its improved form it presents an aspect which facilitates the determination of its value. Any product which possesses a fixed value is a commodity. While there may be some exceptions to this rule—such as crude oil, which has a fixed value in its natural state—investigation will demonstrate that most natural products require reducing to

some more definite form before their actual worth can be ascertained.

A Natural Product May Be a Commodity

There are many natural products, such as coal, fruits, vegetables and others, which can be made immediate use of without undergoing any artificial treatment. As their worth can be at once ascertained and a fixed valuation placed upon them, they are commodities *per se*.

The Act of Business of Producing or Buying Commodities and Reselling Them Is Known as Merchandising

The simple buying or producing of a commodity does not constitute merchandising, it must be bought or produced for the purpose of re-sale, either in the same condition or in combination with other commodities.

While many persons are accustomed to consider merchandising as applying to selling alone, yet the fact must not be overlooked that the merits of a commodity govern its salability to a very considerable extent, and that therefore the conditions governing the production of a commodity are as much a part of merchandising as is the selling.

Merchandising Is Dependent Upon Two Conditions—Production and Consumption

The Production of commodities can be considered under many heads, such as manufacturing, mining, farming, etc., and will be dealt with extensively later on. Consumption is dependent upon distribution and demand, both of which will also be discussed fully in succeeding pages. It was found necessary to mention them in this brief, abstract fashion at this point, in order to aid in ascertaining the purpose of advertising.

PREFACE

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A Conveyor of a Commodity from the Producer to the Consumer Is Known as a Distributor

There are two kinds of distributors—wholesale and retail. A wholesale distributor is one who conveys a commodity from the producer to the retail distributor, and is generally known as a "jobber," or in some cases as a "selling agent," and in a few cases as a "factor."

The retail distributor is one who conveys a commodity from the producer or wholesale distributor to the consumer, and is generally known as the dealer or retailer. In some cases he is called an agent.

The User of a Commodity Is Known as the Consumer

The word consumer is made use of in business from a retail viewpoint solely, and refers to the person who makes final use of a commodity.

Upon the quantity of a commodity made use of by the consumer collectively depends the demand.

Distribution and Demand Are Accomplished in Three Ways: By Salesmanship—By Advertising—By Both

While distribution has been an important factor in merchandising, almost since the beginning of time, modern enterprise, with its trend toward large quantity production, has made it a vital factor.

Today it is as essential to merchandising as are production and demand—for without it demand loses its value and production is useless.

There have been, and may still be, cases in which the need of, or a desire for a commodity has been so great as to create a demand of such strength as to force distribution for a while, but unless the producer has realized the importance of maintaining distribution, under conditions agreeable to the distributor and the consumer, some more far-sighted competitor

has come into the field and captured the trade. On the other hand distribution without demand is short-lived.

Salesmanship Is the Effort to Effect the Distribution of or Demand for a Commodity by Personal Solicitation

There are two kinds of salesmanship—wholesale and retail. The wholesale salesman may represent the manufacturer and solicit both the jobber and the retailer. The salesmen that the jobber sends to the retailer are also wholesale salesmen. Wholesale salesmen are so designated chiefly on account of the fact that they sell in wholesale quantities only.

The retail salesman sells direct to the consumer and is generally represented by the clerk behind the counter in the retail store. However, there are occasions when, because the nature of the commodity requires personal salesmanship, or because they consider it more satisfactory, some manufacturers deem it expedient to sell direct to the consumer. Frequently these manufacturers' retail salesmen are designated as agents. Thus automobiles, machinery, typewriters and even wearing apparel and other commodities are sold direct to the consumer by retail salesmen.

Some students and expert exponents of salesmanship may here aver that, while an order-taker pursues the personal effort method, he is not a salesman. All that can be said on that score here is that the order-taker ought to know better—just as the advertising gambler and gamester should.

Having disposed of the one method of obtaining distribution, in a general way, we come to the other side, a knowledge of which is the object of our study.

Advertising Consists of Any Effort Which Has for Its Purpose the Obtaining of Distribution or Demand, Which Does Not Constitute Salesmanship

There are many forms of advertising and many methods of application. The form to be used or the method to be employed depends entirely upon the circumstances governing a specific case.

Like the builder, the advertising man may make use of any one of several similar materials for accomplishing a given purpose. If it is the construction of an entire building, he can plan it according to the dictates of his best judgment as to how a building should be constructed for the purpose desired. Whether he plans it to the best advantage or not depends upon his experience and ability. The materials he uses may be practical or impractical according to his knowledge of materials and their uses.

While buildings differ in many respects, yet they all have some similar points of construction. A foundation is necessary, as is a roof. The various materials must be placed and joined with due regard to certain rules, which have been formulated as the result of experience.

Certain classes of buildings must be similar in construction. Dwellings have their peculiar requirements, as do business buildings and others.

If the work in hand calls for the construction of a wing or an addition to a building already erected, the builder knows that the addition must harmonize with the main edifice. He would not think, for instance, of adopting a Queen Anne style in the construction of a wing to a building built along lines of the Italian Renaissance.

In a like manner the plan pursued by the advertising man depends upon the circumstances. If the work before him is the advertising of a new business, entirely different methods may be employed than could be made use of in the advertising of an established business with fixed policies.

Should he be called upon to supplement advertising already being done, judgment must be used in planning the additional advertising in a manner that will be in full harmony with that which is being done.

While the builder has the advantage of the advertising man in that he may benefit by the experience of centuries, yet there are certain conclusions, which are the result of research in

other lines, that can be applied to advertising in a way which will prove invaluable to the practitioner, and, if understood, will give him a valuable knowledge that could only be obtained by the hard knocks of experience,

Advertising is an essential of business. Business is closely related to economics and the conclusions of economics are dependent in a measure upon that abstract quantity known as human nature. In the past few years the study of human nature has been designated as the study of psychology.

Whether or not the term has been wrongly applied is a matter for conjecture. By consulting a dictionary psychology will be found to be defined as "A discourse or treatise of the human soul," or referred in some similar way to the human soul. While it may be an error to consider the elements that deal with creating of a desire for commodities which satisfy physical wants as being related to the soul or spiritual side of mankind, it must be remembered that there are many persons who claim that the dictionaries require revision to meet the requirements of advanced conditions.

At any rate it has been called psychology, and in its name many interesting and important researches have been made regarding the cause and effect of conditions that influence man's physical desires. So, whether or not we may consider the term misapplied, let us not be penny-wise and pound-foolish by closing our eyes and ears to the valuable evidence that has been so produced.

As it is evident that business, economics and psychology are closely related and possibly more interdependent than is usually believed, it is advisable to consult all of them, making use of the obvious, proving or discarding the doubtful, and formulating as many guides as possible with a view to simplifying the work of the young men now growing up in the advertising business, and possibly make the calling an inviting one to bright minds in other lines, by giving them material to

which their abilities can be applied, without the loss of the usual amount of time needed for learning.

The axioms hereinafter formulated are the results of the application of such of the doctrines of economics and psychology—whose value is apparent—to the problems of business, as it has been and as it is.

Having determined the conditions which are responsible for advertising and defined its relation to these conditions, as well as its function, we will now consider the ways in which the function of advertising may be applied.

**The Function of Advertising May Be Utilized in Three Ways: For
Creating Demand, For Sustaining Demand or
For Diverting Demand**

By creating demand we mean creating a demand for a new commodity, and it is the work of the pioneer. Sustaining demand is a form of protection against a competitive commodity, while diverting demand is a purely aggressive attack upon another commodity.

When a commodity fulfills a new requirement for which a need has not previously been felt, a demand for it may be created by advertising.

After the value of a new commodity has been demonstrated, others who produce similar commodities may advertise to divert the demand from the pioneer.

When this occurs a competitive condition exists, and advertising must be done to sustain the demand already created. Should the supply be greater than the demand, the advertising must also create an increased demand.

Considering it from another viewpoint, there have been many similar or identical commodities for which a limited demand has been created by several producers through salesmanship alone, each producer controlling a more or less exclusive territory, but collectively producing a national staple. Some one of these producers may conceive the idea

of enlarging his territory—perhaps with a view to making his particular commodity a national one. When advertising is employed in such a case the method of procedure is reversed.

The first advertisers in any staple line usually attempt to divert to themselves as much as possible of the then existing demand. When competitive advertising begins, others in the line also advertise to sustain the demand for their commodity, and when competition is keen an additional demand must be created or one of the competitors must suffer a loss.

Before undertaking the main part of our work, it would be a good plan to review, in the form of questions, the important points that have been developed so far.

(1) What is advertising—an art—a science—a profession—a gamble or a game?

(2) What may it become?

(3) What is a product?

(4) How many kinds of products are there?

(5) What kind of product is a commodity?

(6) Under what conditions is a natural product a commodity?

(7) What is merchandising?

(8) Upon what two conditions does merchandising depend?

(9) What is a distributor?

(10) What is a consumer?

(11) How are distribution and demand accomplished?

(12) What is salesmanship?

(13) What is advertising?

(14) In what ways may the functions of advertising be utilized?

PROLOGUE

**ADVERTISING HAS TO DEAL WITH AND CONSIDER FOUR
IMPORTANT FACTORS—COMMODITIES, CONDITIONS,
METHODS AND RESULTS**

**The Knowledge of a Commodity's Specific and Comparative Values
Is Essential to Its Successful Advertising**

ADVERTISING which only affords a temporary benefit cannot be called successful advertising. To be successful, advertising must afford a permanently increasing benefit.

A permanently increasing benefit is consequent upon the decreasing cost of results. That is, a repetition of the same expenditure should produce increased results with each repetition.

There are some cases where a continued production of results at the same cost is profitable, but this condition will last only so long as competition is moderate or lacking.

There are other cases where the profit is so excessive as to make continued results at the same cost profitable. But here again competition will interfere in time. If the article is unpatented, real competition may occur at any time. If it is patented, substitute competition may occur.

To produce results at a decreased cost, the commodity must benefit the consumer in one or more of three ways. First, by supplying the same quality for less money than it now costs. Second, by supplying better quality for the same money. Third, by supplying a more efficient substitute for some commodity.

Some people are interested in price, some in quality, others in efficiency, and the argument for a commodity is governed by its comparative value and relation to other commodities.

As it is apparent that the argument must vary according to the case in hand, it is obvious that a knowledge of commodities is essential to the advertising man in order that he may employ the proper form of argument and direct it at the class of prospective customers who would be most likely to be influenced by the form of argument necessitated.

Advertising a commodity without making an analysis of its specific and comparative value is like diving into a pool without measuring its depth. If the pool is deep enough, all well and good; if not, a fractured skull, neck or vertebrae may result.

There was a time when an advertising man was expected to prepare advertisements extemporaneously, as it were, and his talent was gauged by his ability to do so.

Even today it is no unusual thing for a manufacturer or retailer to expect an advertising man to evolve an advertising plan or campaign as the result of a fifteen-minute interview.

This condition is generally due to an inadequate understanding, on the part of the advertiser, of the principles of advertising and the incalculable loss resulting from its malpractice.

It is no less to be deplored that the advertising man himself is frequently egotistical or unscrupulous enough to be responsible for stimulating an advertiser's ignorance in this respect.

The cardinal purpose of advertising is to create a desire for a commodity by portraying its utility, quality or superiority, and the essential element of advertising is Truth.

Any divergence from the truth constitutes misrepresentation in the exact ratio in which the statements are at variance with the actual facts.

A person who has been victimized by misrepresentation not only doubts future statements by the erring advertiser

but becomes more or less skeptical about the statements of all advertisers, putting each one on the defensive, as it were, and making him prove his claims. This increases the cost of advertising by decreasing its effectiveness.

It will be seen that misrepresentation not only works an injustice upon the victim, but upon the whole business world, because it is an element which destroys confidence and without confidence business is impractical.

In order to advertise a commodity truthfully, an intimate knowledge of it is a necessity, and a study of the various kinds and classes of commodities will greatly facilitate the endeavor to ascertain the utility and quality of a specific commodity.

The Conditions Under Which a Commodity Is or May Be Merchandised Govern the Character and Form of the Advertising Methods Employed

The various stages through which commodities pass or may pass in the course of merchandising are known as the "Channels of Trade."

Almost every line of business has its own peculiar "Trade" conditions. They are the result of merchandising customs or habits formed by the majority of persons interested in that particular trade either as distributors or consumers.

Some lines have established customs as to quality, price, profit, packaging, selling methods and in many other points, while in other lines customs may be only partially established, or not at all.

Advertising that fails to consider these trade conditions may or may not be successful in accordance with the degree to which its force is unconsciously dissipated by conflicting with or violating established merchandising customs.

It is an attribute of human nature to acquire habits and customs, and upon the extent to which merchandising customs are formed in any "Trade" depends the stability of that Trade.

The force of advertising which violates one or several Trade customs, either in principle or practice, may be dissipated in three ways. First, by failing to justify the violation; second, on account of Trade apathy; third, by creating a resistance resulting from a feeling that the violation will jeopardize the stability of the Trade in question.

Many food products that were previously handled by the distributor in bulk are now sold in packages and under the manufacturer's trade mark. It frequently happens that packaged goods allow the dealer a smaller profit than it was his custom to make on bulk goods. The dealer, seeing his prestige and profits being reduced, would naturally resist the custom violation until it was demonstrated that the profits on the larger sales and the reduced selling costs more than compensated him, and the manufacturer's guarantee relieved him of responsibility as to quality, thereby justifying the violation of previous Trade conditions.

There are many commodities that are produced for the purpose of beautifying and preserving the human hair and skin. While there are thousands of hair-dressing and massage establishments in the United States, which could readily handle such commodities profitably, yet so great is their apathy in the matter that most manufacturers rely entirely on department and drug stores for their distribution.

Department stores as a rule base their selling arguments upon the fact that their great buying capacity enables them to buy at prices much lower than the smaller dealer can. On this account they frequently refuse to handle advertised commodities that require price maintenance on the ground that by so doing they would jeopardize the fundamental principle of their business.

Therefore, if the methods employed violate a trade custom either in principle or practice the appeal must possess sufficient strength to overcome the resistance resulting from the natural prejudice to custom violation.

**The Construction and the Application of the Advertising Appeal
Constitute the Methods of Advertising**

After the value of a commodity and the conditions under which it can or may be merchandised are ascertained, the practitioner is in a position to intelligently construct and apply the advertising.

The construction of advertising consists of the form of arrangement and the character of appeal employed. The application of advertising consists of the kind of medium or mediums employed.

An advertising appeal is made to the intellect of the prospective customer through one or more of the five senses. The impression made upon the intellect is contingent upon the habits or customs of the individual appealed to and the degree to which the appeal coincides with or overcomes habit or custom as the case may require.

If a man has accustomed himself to the use of a certain brand of tobacco, the success of an appeal made by the manufacturer of a different brand will be governed by the extent to which the appeal prevails over a habit or custom.

A knowledge of the various kinds of appeal and the classes of commodities to which they are best suited will materially assist the practitioner in deciding upon the kind of appeal that may be employed most advantageously in the advertising of a given commodity.

The cost of advertising is dependent upon the correctness of the methods employed.

If a certain amount of money be appropriated for advertising, the sum so appropriated represents the advertising cost for the volume of business resulting from the expenditure. If the profit on the resulting business is greater than the cost of the advertising it has been profitable.

/ Many manufacturers and retailers consider themselves as being better fitted to attend to their own advertising than any advertising practitioner, owing to the fact that they have a

thorough knowledge of their commodity and the conditions governing its distribution and demand.

While this may be true in some instances, yet an experienced advertising practitioner who has made a definite and comprehensive study of the construction and application of advertising is far better fitted for the work than the advertiser, provided that he has a knowledge of the principles of merchandising which will enable him to construct and apply, or in other words practice, advertising, strictly in accordance with the requirements of the situation.

Conditions may make it advisable for a commodity to be advertised by circular work only. In another case magazines or newspapers may be the proper mediums to be utilized; again, possibly, results could be obtained at a lower cost by the use of billboards or street cars.

If the methods employed are less suitable than some others, the cost of business resulting will be higher than if the proper application had been made.

It naturally follows that a careful study of the methods of applying advertising to the needs of a commodity is highly essential.

The Proper Analysis of Advertising Results Indicates the Methods Advisable for Future Advertising

It is not sufficient to know simply whether the money expended for advertising has been a profitable investment or not. The person who regards advertising results from this viewpoint only, overlooks their fundamental value.

Results never prove or disprove the fact that advertising does or does not pay.

They simply indicate whether the advertiser's knowledge of commodities and conditions is accurate and whether the methods of construction and application have been correct.

Inasmuch as advertising is and always will be dependent upon the ability of the advertising practitioner, regardless of

whether his practice is scientific or otherwise, it is evident that it is and always will be an absolute impossibility to predict advertising results with absolute mathematical certainty.

Because results are satisfactory is no proof that they will continue to be so as a result of adhering to the methods previously used.

An ostrich feather manufacturer recently undertook a mail order advertising campaign with very satisfactory results. Following the same methods the second season was proved by the results to be a flat failure. Investigation showed that he had started his advertising in what was known as a "feather year." That is, it was the vogue that year to trim millinery with ostrich plumes. During the second season, flowers were used almost exclusively for the purpose.

In addition, several other ostrich feather manufacturers had heard of his success and were induced to do some advertising on their own account. Therefore, while the demand was smaller the competition was greater, and, as the copy used by all of them was designed merely to divert demand, the season's expenditure was a loss for all of them.

Had each of these advertisers analyzed conditions correctly beforehand, they would probably have designed their copy so as to overcome, as much as possible, the tendency to use flowers for millinery trimming. This would have made feather users out of many persons who actually used flowers, which would be in effect creating a demand.

Of course, there are many commodities which can be successfully advertised by pursuing the same methods indefinitely. In some cases it is imperative. The point, however, is that analysis of results is advisable.

Having deduced the important factors of advertising, the balance of this work will be divided into three sections, each section will be devoted to one of these factors.

Before doing so, however, we shall fixate the ideas embodied in the prologue by a question review.

- (1) What are the four important factors which advertising has to deal with and consider?
- (2) Why is a knowledge of commodities essential to an advertising practitioner?
- (3) What is the cardinal purpose of advertising?
- (4) What is the essential element of advertising?
- (5) What does a divergence from the truth constitute?
- (6) What are the conditions with which advertising has to deal?
- (7) Upon what does Trade Stability depend?
- (8) How may the force of advertising be dissipated?
- (9) What is the cost of advertising?
- (10) Upon what is it dependent?
- (11) What does the proper analysis of advertising results indicate?

**PRINCIPLES AND PRACTICE OF
ADVERTISING**

SECTION 1

COMMODITIES

The Advertising Man has to consider commodities from three main or general viewpoints. First, Commercial Considerations, which are those that relate to commodities in general. Second, Material Considerations, which are those that relate to commodities in particular. Third, Monetary Considerations, which are those that relate chiefly to the distinction between "Price" and "Value" and the conditions which are responsible for the distinction.

CHAPTER I

COMMERCIAL CONSIDERATIONS

The commercial considerations of commodities refer to the relationship between commodities in general and the world of commerce. The advertising man who has a basic knowledge of these important points will be able to make the more specific analysis of a commodity as discussed under material considerations, and which is without question one of the most important steps that are essential to the proper construction and application of advertising.

While the subject is one upon which volumes could be written, and read with benefit by the advertising man, it is herein confined to the five most important considerations. First—Those of advertisability. Second—Those of sources. Third—Those of substance. Fourth—Those of condition. Fifth—Those of efficiency.

The Advertisability of a Commodity Is Dependent Upon the Scope of Its Utility

The fact that a product is entitled to be designated as a commodity does not necessarily indicate that it is advertisable.

There are many instances where a commodity may possess a high intrinsic value and yet have such a limited field of usefulness as to make salesmanship the only practical method of obtaining distribution.

For instance, there are certain materials and machines used in the manufacture of millstones. While these materials and machines may be of utmost value and absolutely necessary

to these manufacturers, it would be obviously impractical to apply advertising to these materials and machines because according to the census of 1900 there were only three manufacturers of millstones in the whole United States. This is, perhaps, an extreme case, but many more almost similar cases could be quoted.

The discussion of or reference to commodities in this work will consider only those kinds and classes of commodities as are advertisable. A discussion of unadvertisable commodities would be of little value to the student of advertising.

The Source of a Commodity May Be Limited, Unlimited, Variable or Monopolistic

A limited commodity is one whose source is confined within certain known limits.

No matter what the character of the commodity, if the future possible production is clearly defined either absolutely or approximately, it is a limited commodity.

Coal, metals, precious woods and stones, also lumber and similar commodities are limited commodities because the quantities now available for future use are either known or estimated. A limited commodity is sometimes called a diminishing commodity.

An unlimited commodity is one that can be produced for an indefinite period.

The only contingency upon which an unlimited commodity is dependent is that the necessary capital and labor is available.

Cement, bricks, pottery ware, paper and cloth are all examples of unlimited commodities.

A variable commodity is one whose source is contingent upon conditions that are not controlled by man.

Farm products are nearly all good examples of variable commodities because their production is dependent upon weather conditions to a great extent, particularly upon the supply of water resulting from the fall of rain.

Monopolistic commodities are those which are absolutely controlled by an individual or group of individuals.

They may be considered as of two classes. Those whose source is controlled and those whose production is controlled.

There are throughout the world many springs whose waters possess certain medicinal properties which are peculiar to themselves. Because of their usefulness to humanity these waters are commodities. As the springs from which they are obtained are owned by some person or persons, such waters are monopolistic commodities.

Patented articles of various kinds are examples of monopolistic commodities whose production is controlled.

The Substance of a Commodity May Be Tangible or Intangible

While it is customary to consider a commodity as being physical in character or substance, yet the actual meaning of the word is "something that affords ease, convenience or advantage."

If a man shall evolve or produce from his mind, as a result of study or experience, a system or a service which possesses a commercial value, that system or service is rightly considered as a commodity although it is intangible.

A tangible commodity is one possessing a material form that may be perceived by a physical sense organ.

Anything that can be perceived by a physical sense organ is material. It is apparent, therefore, that anything whose value can be judged by its taste, smell, feeling, sound or appearance should rightly be considered as a tangible commodity.

An intangible commodity is one that is not material in substance.

The services of physicians, lawyers, accountants, advertising men, engineering men, architects and other professions, can be classified as intangible commodities. The value of

such an intangible commodity is governed by the extent of its advantage and the skill of the practitioner.

There are other forms of intangible commodities—such as telephone service, gas, electric current and steam, which while they may possess no tangible form yet they have a definite commercial value.

Some such intangible commodities may be said to be perceivable, but analysis will show otherwise. Gas can be sensed by the nose but is considered as an intangible commodity because the value of gas is dependent upon the quality of light that it gives at a given cost per thousand feet. So while the nose can sense the odor and the eye can see the light, yet a reference has to be made to the meter before its value can be definitely known. On the contrary, perfume is a tangible commodity because its value depends upon the quality of its odor.

There Are Three Groups of Commodities—Constituent, Collective and Integral

A constituent commodity is one that, while possessing a commercial value, is by itself of no use to the consumer.

Shoestrings, for example, are of no value to the consumer until used in connection with shoes. A widely different example of a constituent commodity would be some part of an automobile. Still another example would be an electric light bulb, which is dependent upon electric current for its utility.

A collective commodity is one that comprises two or more constituent commodities.

A gas lamp, for instance, consists of a standard or base, a burner, a chimney and sometimes a shade. Each one of these constituent commodities may possess a definite individual commercial value to such an extent as to constitute it a valuable staple in the business world. However, unless they are used collectively they are of little value to the consumer and without gas they are useless. An automobile is also

an excellent example of a collective commodity. Jewelry might also be considered under the same heading.

An integral commodity is one that is useful of itself and, therefore, possesses a commercial value.

Integral commodities are mostly natural products, like coal, eggs, milk, vegetables, fruits, and similar things, but there are occasional artificial products that rightly belong under this heading, such as rules, woodenware, and like products.

There Are Four Classes of Commodities: Novelties, Luxuries, Necessities and Staples

A commodity that is devised for a new purpose, or that constitutes a modification or an improvement over an article designed for a similar purpose, is a novelty.

While it may be claimed that nothing is ever created for a new purpose, on the ground that the purposes of humanity have been and will be the same throughout all time, and that anything seemingly different is but an attempt at an improvement of the method of accomplishing some similar purpose, yet from a strictly commercial standpoint anything that makes for difference in method must be considered as a novelty. Thus the electric street car was a novelty until its superiority over the horse car was established. Again, the pay-as-you-enter car was a novelty until its merits were proven.

A commodity that is not essential to the needs of any class or classes, is a luxury.

Any commodity made use of, requiring a sacrifice of some necessity, should be considered as a luxury, regardless of the user's state of mind. Making a person believe he needs a thing does not make a necessity out of a luxury.

A commodity may be a luxury because it is more expensive and no more serviceable than some similar commodity designed for the same purpose. For instance, the habit of using tea or coffee has become so strong with some people

as to make it a necessity, yet the high priced brands are considered as luxuries to those who cannot afford them or do not consider their respective merits as worth the difference in cost. On the other hand, commodities which from their nature can seldom be made use of, are obviously luxuries.

A commodity for which a need is evident or demonstrable, is a necessity.

From the first day that New York's subway was opened, its trains have been crowded. There was no necessity for demonstrating the need. Today the typewriter, telephone and telegraph are business necessities, but the need for them had to be demonstrated.

A commodity for which there is an established demand, is a staple.

When experience proves that the demand for a commodity is so well defined that a certain volume of business can be relied upon at stated periods, the commodity may be considered as a staple. The extent of the demand determines the degree to which an article is a staple.

A novelty may become a luxury or a necessity.

When the practicability of a novelty has been demonstrated, it becomes a necessity or a luxury according to the manner in which it meets the requirements of any class or classes.

A luxury may become a necessity.

At every stage of the world's existence, humanity has been accustomed to making the best of the then existing commodities, but with the march of progress things that were luxuries yesterday have become the necessities of today. Many present necessities were once some lazy man's luxury. Habit makes luxuries a necessity to many people; custom, imitation, envy, pride, and many other conditions tend to widen the sphere of habit.

A luxury or a necessity may become a staple.

The fact that a commodity is a necessity does not assure its becoming a staple. If there is no demand or but a small one

it is not a staple. Conversely, the fact that a commodity is a luxury does not preclude its becoming a staple. Many conditions have to do with the stapleizing of a commodity. This will be discussed under both "conditions" and "methods."

There Are Three Kinds of Commodities: Meritorious, Mediocre and Impractical

As a rule there are several commodities produced to fulfil a given requirement. The efficiency of each is dependent upon the mental development or progressiveness of the producer. Every manufacturer is inclined to consider his product as being the best. To advertise some of them would be throwing "good" money after the "bad" money that it cost to make them.

A meritorious commodity is one that serves its purpose in a beneficial or satisfactory manner.

Whether a commodity is an improvement over a similar one or whether it is equally useful it may be considered as being meritorious so long as it meets the standard of efficiency that is generally demanded by users of similar commodities.

An ink well, for instance, is required to hold ink and to be constructed so that it will maintain its equilibrium under ordinary circumstances. So long as it meets those requirements satisfactorily it is a meritorious commodity regardless of whether or not it has some pen-holding attachment.

A mediocre commodity is one that serves its purpose temporarily or poorly.

There are many manufacturers producing mediocre commodities either as a result of ignorance, inefficiency or in order to meet price competition, regardless of quality or utility. This demonstrates the destructive element of competition when price is the only consideration.

Some raincoats that can be purchased are fairly good illustrations of mediocre commodities. One variety will withstand

fog and light rain but leak like a sieve in a heavy storm. Another variety will withstand any kind of storm for a few weeks until the proofing with which it was processed wears off, after which it is no more serviceable as a raincoat than an ordinary cloth coat.

An impractical commodity is one which possesses no real utility or efficiency value.

A commodity may possess a high quality value, but lack sufficient utility to give it any commercial value.

The Patent Office contains the records of numberless such commodities, as does the advertising graveyard. The only advantage in considering such an impractical commodity is to forewarn the student so that he will be on his guard and not waste his time and some other person's money in the attempt to successfully advertise such commodities.

The success or failure of a commodity to obtain general distribution and demand does not indicate the quality of its efficiency or utility.

There are thousands of mediocre and even some impractical commodities that have achieved a greater degree of success than some similar commodity whose superiority was evident at first glance.

As a general rule this condition can be attributed to two causes.

First—error in exploitation resulting from lack of capital, initiative or ability on the part of the producer. A certain amount of capital is required to do a given volume of business and a wise business man will always carry a safe balance to take care of unforeseen conditions. Collections may be slow; losses may occur or expenses be larger than anticipated. If the manufacturer undertakes to do a larger volume of business than his capital warrants, and his creditors get nervous, a receiver is likely to be appointed and the meritorious commodity in question will pass out of sight. If the producer lacks initiative or ability, the distribution and demand are neces-

sarily limited. Over-advertising is one of the most frequent errors of exploitation. The advertiser either goes broke or is badly crippled and puts the blame for his own lack of judgment upon advertising.

Most any person can recall to mind at least one and generally several commodities that he has at one time made use of and liked, but that are not now obtainable.

Second—the producer of the better commodity has not considered worth while the effort necessary to overcome the prestige already obtained by a similar but inferior commodity. When the producer of an inferior commodity is successful in establishing a really good distribution and demand, it requires a strong effort and considerable confidence, both in your own commodity and in the general public, to dislodge the inferior commodity. Many manufacturers who are left behind by inferior competition are still making a satisfactory living, and realizing that an effective selling campaign is fraught with many dangers, and feeling that “a bird in the hand is worth two in the bush,” are liable to view the matter conservatively. The consumer, not knowing of the superior commodity, does not seek it, and so the progressive methods of the producer of the inferior commodity triumph over lack of initiative or conservatism.

Question Review

- (1) From what viewpoints does the advertising man consider commodities?
- (2) What determines the advertisability of a commodity?
- (3) How are commodities classified as to source?
- (4) What is a limited commodity?
- (5) What is an unlimited commodity?
- (6) What is a variable commodity?
- (7) What is a monopolistic commodity?
- (8) How are commodities considered as to substance?
- (9) What is a tangible commodity?

- (10) What is an intangible commodity?
- (11) How many groups of commodities are there?
- (12) What is a constituent commodity?
- (13) What is a collective commodity?
- (14) What is an integral commodity?
- (15) How many kinds of commodities are there?
- (16) What is a meritorious commodity?
- (17) What is a mediocre commodity?
- (18) What is an impractical commodity?
- (19) How many classes of commodities are there?
- (20) What is a novelty?
- (21) What is a luxury?
- (22) What is a necessity?
- (23) What is a staple?
- (24) When may a novelty become a luxury or a staple?
- (25) When may a luxury become a necessity?
- (26) When may a luxury or a necessity become a staple?

CHAPTER II

MATERIAL CONSIDERATIONS

The material considerations of commodities are those which refer to the nature of a specific commodity and its particular relationship to other commodities designed to meet the same requirement in an identical or substitute manner.

The material considerations of commodities are herein confined to six considerations: First—Properties. Second—Appearance. Third—Trustworthiness. Fourth—Quality. Fifth—Utility. Sixth—Differentiation.

Nature Produces No Two Things That Are Exactly Alike—Therefore Man Cannot

From the highest form of organic matter to the lowest inorganic substance are found certain groups, or similar forms, which are classified and designated as conditions warrant. In every group or classification are found minor variations which, when related, are known as families and when unrelated constitute types. While types and families maintain certain general conspicuous characteristics, there are still further important variations perceptible—subtle properties which distinguish a specific thing from similar ones. This is Individuality.

Individuality is one of the universal fundamentals. It is an incentive which prevents monotony and stimulates activity. Activity is the essential element of life, progress and consummation.

In human nature individuality manifests itself in many ways. Important to the advertising man is the human in-

dividuality of "likes and dislikes." It is the court of last resort which "makes or breaks" the success of a commodity.

Man does, by mechanical process, produce commodities that are so similar in appearance and construction that even a microscopic examination might fail to discover any variation. Nevertheless, there are distinctive variations between identical products produced by any two or more men. These variations might be considered as an expression of the individuality of the producer. This individuality of commodities is the life of "Trade."

While no person can foretell whether the individuality of one product will meet with a greater success than that of another, it cannot be gainsaid that unless the individuality of a commodity is properly portrayed, the commodity labors under a great disadvantage.

Improper portrayal of a commodity's individuality fails to elicit a response from those who would naturally desire it, but may produce responses from those who would be disappointed and consider that it had been misrepresented to them.

For this reason it is essential that the advertising man thoroughly understand the individuality of the commodity he undertakes to advertise.

The Properties of a Commodity May Be Specific or General

The more requirements a commodity will fulfill—the larger the number of practical uses to which it can be put, the greater becomes the possibility of creating a permanent demand for it.

The realization of this fact has frequently been responsible for the success of a commodity which had heretofore been considered a poor seller. It has also been responsible for the opening up of newer and easier fields for already successful commodities.

Occasionally it appears that some change of construction or methods is all that is required to accomplish this purpose. The farmer being thrifty by nature has been a poor prospect as a purchaser of a straight pleasure automobile. However, when the chassis is constructed so as to accommodate a variety of bodies that can be changed at will, then the automobile becomes an article of greatest utility to the farmer. He can use it for haulage purposes in the field and by a change of bodies can take his family out for a spin at night. In addition to this call his attention to the fact that the motor can be used to drive various forms of machinery, such as water pumps, churns, lathes, threshing machinery and other things, and it becomes almost indispensable.

Again a multiplicity of uses may assist materially in obtaining co-operative distribution. A certain firm manufactures a small lamp that generates and burns Acetylene Gas. For several years it was advertised and sold only as an article of use to miners. Subsequently it was realized that the lamp was practical for many uses. There was nothing on the market that was nearly so useful for surveyors, boiler inspectors, campers, woodsmen, hunters, anglers and others. Before this discovery was made, considerable difficulty was experienced in getting the hardware dealer to stock up. However, when it was shown that there were so many different avenues of outlet the retailer felt that this article was a good risk.

A Specific Commodity Is One That Meets But a Single Requirement

No matter how important is the requirement or how satisfactorily it is fulfilled, so long as the commodity meets but one requirement, it must be considered as a specific commodity.

However, the importance of the requirement and the manner in which the commodity fulfills it, are of utmost conse-

quence in deciding upon the advertisability of the commodity in question.

An ordinary picture frame can only be used as an enclosing form for increasing the decorative properties of some object. No matter how artistic and appropriate its construction, a picture frame does not possess the advertising possibilities of a clock or a watch or a pair of shoes.

A General Commodity Is One That Meets Two or More Requirements In a Practical Manner

The fact that a commodity may be *said* to meet more than one requirement does not make it a general commodity. It must perform every service that is claimed for it, in a practical manner.

There have been many inventions of this nature which have failed because of their impracticability. A combination tool, for instance, which included a hammer, hatchet, screw driver, file, nail puller, and pliers did not prove successful, because the use for any one purpose was interfered with by the numerous protrusions constituting the other parts.

Perhaps no part of the preliminary study of a commodity will give the advertising man such an opportunity to display his ingenuity, judgment and business ability as deciding whether the commodity is a specific or general commodity.

To confine a general commodity within the limits of specific properties is to shackle it and to claim impractical general properties for a commodity is to misrepresent it.

The Sale of a Commodity May Be Benefited By Its Attractiveness, Distinctiveness or Singularity of Appearance

Many an advertising campaign has owed its success or failure more to the manner in which the goods were put up, or to the first visual impression they made, than to the methods employed in handling the appropriation.

There are two things that are worthy of the most careful

consideration when deciding upon the appearance or impression that a commodity will make. First: That the appearance be designed to make a favorable impression. Second: That it be designed to make a lasting impression.

A purchase is simply an expression of a favorable impression. The expression of a favorable mental impression can be greatly impeded by an unfavorable visual impression. The eye records 75% of human impressions, consequently the major part of human expression is governed by the character and intensity of the impressions recorded by that organ.

Notwithstanding this fact the poorly designed, misbegotten and frequently repulsive appearance of a commodity is one of the severest difficulties with which the advertising man has to contend.

The Attractiveness of a Commodity Refers to Such Qualities of Appearance as Will Invite Favorable Attention

Such attractive qualities may appear either in the contour or color effect, or both, of the commodity itself, or the package in which it is put up, or both.

Among toilet preparations of various kinds can be found excellent examples of attractiveness of appearance both as to commodity and container and frequently in the appearance of the package itself. Many manufacturers of furniture, silverware, glassware and draperies of many kinds have observed this point carefully.

The Distinctiveness of a Commodity Refers to Such Qualities of Appearance as Signalize It From Similar Commodities, Without Being an Extreme Variation of Customary Methods

They are the qualities which permit of quick and easy identification. When properly executed they constitute a most valuable kind of trade mark that is constantly refreshing the memory of an old customer and appealing to the curiosity of a prospective customer.

Distinctiveness is also an important factor in preventing substitution. If the appearance of the commodity is easily remembered and readily recognized the purchaser will be more likely to assume an attitude of positiveness that will discourage suggestions which a dealer is apt to make to the hesitating customer.

The Singularity of a Commodity Refers to Such Distinguishing Qualities of Appearance as Are Radical in Their Nature

Anything that is radical or extreme in character is likely to meet with resistance in proportion to the degree to which it is extreme. The human mind readily accustoms itself to a uniformity of effect and any radical change from a customary effect is liable to create a questioning state of mind with accompanying doubts and fears.

Soda crackers were generally sold in bulk up to a few years ago. When a manufacturer put them up in packages, he made a radical change. His commodity possessed a singularity of appearance that caused questioning—why pay five cents for these crackers when almost twice as many could be purchased in bulk for the same sum. The sanitary value and the convenience of the new method was easily made apparent, so that the questioning was answered satisfactorily.

It is well to remember that the attractiveness does not necessarily mean distinctiveness and vice versa. Also the singularity of itself will not always constitute a selling help.

A Commodity May Be Trustworthy on Account of Its Uniformity and Reliability

Trustworthiness refers to the degree to which a thing or person conforms to certain standards established in relation to any specific condition.

The consistency of human impression and expression is, to a great extent, governed by and dependent upon the

things on which it has to subsist and which it has to make use of.

When human expression achieves a state of constancy that can be relied upon, it possesses a value. As the value of human expression is contingent upon the commodities it makes use of, the utility of a commodity depends upon its trustworthiness.

The Uniformity of a Commodity Refers to Its Consistency of Quality

There are many forms of collective commodities that are produced by a formula comprising two or more constituent commodities. It has been found, in such cases, that the compounding of specific quantities of ingredients of invariable quality will produce certain results or effects. Any variation in uniformity in one or more of the ingredients will affect the utility or appearance of the commodity.

If the utility is affected, the value is correspondingly deteriorated and the commodity at once becomes an unreliable one. If the appearance only is affected there is still the difficulty of probable doubt upon the part of the consumer.

There are some forms of integral commodities, such as coffee, tea, ostrich plumes and others which are products of nature, and therefore not subject to human treatment. The uniformity of such commodities is contingent upon the degree of skill possessed by the selectors or testers. Another example of uniformity would be a well matched team of horses.

The Reliability of a Commodity Refers to the Certainty of Its Usefulness

There are many commodities, especially those used in various forms of mechanics, upon whose utility human life or considerable money is frequently dependent.

For instance, in the construction of a certain building in New York, several large pillars of Italian Marble were used.

These pillars were valued at ten thousand dollars each, not only because of their size and intrinsic value, but on account of the expense required to obtain so many of such unusual size that were uniform in appearance.

These pillars were hoisted into place by machinery. It is obvious that the reliability of the machinery was worth the most careful consideration. The same applies to the machinery of various vehicles that transport human beings.

It may seem on first thought that uniformity and reliability are synonymous, but there is a wide distinction between the two. The steel and other materials employed in the construction of an automobile may be absolutely uniform throughout as to quality and yet the construction or fitting together of the parts may be entirely unskillful or unscientific, rendering it unreliable.

In short, uniformity applies generally to natural products and reliability applies generally to artificial products.

The Quality of a Commodity May Be Intrinsic or Simulated

The quality of a commodity refers to the degree of refinement to which the component substances have been subjected.

Physics tells us that the atom is the smallest substance known. This is because an atom is supposed to be indivisible. An atom has a positive and a negative pole, just as the earth has. There may be attraction between the positive pole of one atom and the negative pole of another. This is termed chemical affinity.

Several atoms held in certain relationships to each other, by chemical affinity, constitute molecules. Molecules also possess positive and negative poles. The attraction between the opposite poles of molecules is known as molecular attraction. Several molecules held together by molecular attraction constitute a substance or an object or whatever custom may have designated it to be.

The field or scope of molecular attraction is limited, just as is the field of a magnet's attraction. When one set of molecules is removed to a point beyond the field of the molecular attraction of other molecules constituting the same object, the object is said to be broken or disintegrated, according to the volumes or quantities of molecules so separated.

When different classes of molecules are in close proximity to each other the combination or mixture may be considered as being impure. This is because the molecular attraction or polarity of one kind or character of molecules might have a tendency to counteract the polarity of another class of molecules, with the result that disintegration is apt to ensue. By applying a suitable refining process, undesirable molecules can be abstracted from those that it is desired to preserve.

This serves to bring the desirable molecules into a state of closer adherence. It gives them a greater power to resist the destructive influence of different classes of molecules.

The greater the power a commodity possesses to resist destructive influences, the better is its quality.

Intrinsic Quality Refers to a Commodity's Actual Powers of Resistance

To adequately comprehend the value of quality requires a thorough knowledge of chemistry and physics. Few people have the time or the inclination to undertake these studies. Fortunately the universal law of cause and effect enables one to gauge the qualities of commodities in a general way, by comparisons of appearances or results.

An example of the value of quality will be found in paints, which are employed for protecting valuable substances. Linseed oil is generally used for what is known as the vehicle of paint. A vehicle is a substance that will intensify the polarity of another class of similar molecules, overcoming the effects of gravity or destructive elements.

In linseed oil are found many foreign substances such as various forms of carbon and vegetable matter. Unless these foreign substances are removed, they will destroy the efficiency of the linseed oil which in turn loses its value as a vehicle, with the result that the paint does not serve its purpose advantageously.

Simulated Quality Refers to the Impression Given That Intrinsic Quality Exists in a Commodity

There are many means employed to simulate quality. In every case such effort constitutes some method for deceiving a physical sense organ. Druggists may use acetic acid to simulate lemon in soda water. Manufacturers may use glue and iron filings in the manufacture of so-called silk textiles, to give them the apparent stiffness and rustle of real silk.

Most every case of simulated quality is the result of a dishonest effort to meet the competition of more efficient manufacturers and all are nothing more than Fakes.

Before an advertising man attempts to judge the quality of a commodity it is advisable for him to make a thorough study of what is frequently termed the "Trade Secrets."

It is an unfortunate fact that the power of advertising frequently enables some dishonest person to obtain enormous distribution and demand for a commodity possessing only simulated quality. Such people are the first to raise a howl about substitution. They seem to consider that their large advertising expenditures should prohibit the sale of honest goods.

The Usefulness of a Commodity Is Dependent Upon Its Appropriateness or Adaptability

Some commodities are useful for the purpose indicated without requiring any change in the *modus operandi* of the process or purpose for which it is designed. Other commodi-

ties may require a complete or partial change in the methods at present employed, but such a change would effect a more efficient or economical result.

A publishing house may contemplate installing presses that are run by their own motors, instead of by belt and shafting. This would probably require a change from gasoline or steam power to electric power. A business firm may consider installing billing machines; this might necessitate a readjustment of some part or the whole of their accounting system. In either case there would be many customs and habits to overcome as well as questions to be considered as to the advisability of such a change.

The Appropriateness of a Commodity Refers to the Manner in Which It Fulfills an Existing Requirement or Condition

To meet an existing condition, the commodity must perform the same service, in the same or better manner, for which some similar commodity is employed. This practically confines the idea of appropriateness to the quality and length of the service that a commodity will perform or render.

There are any number of commodities on the market that must be considered as being inappropriate because they do not give as long or as efficient a service as might be possible for the same investment.

The appropriateness of a commodity may also be considered from the standpoint of fitness. A dish may be made from the finest china, yet be useless as a cooking utensil. A dollar watch may keep accurate time, but it would be inappropriate as a gift to a person of great wealth.

The Adaptability of a Commodity Refers to the Co-operative Manner in Which It Can Meet an Existing Condition

To warrant consideration, from an advertising standpoint, an adaptable commodity must make for a greater efficiency under present conditions. It is much more difficult

to induce a person or firm to make radical or far-reaching changes in an existing method or process. The work of doing so requires a far more detailed and specific statement of probable benefits than is required for the advertising of an appropriate commodity.

This is chiefly due to the fact that the more remote the benefit the more difficult it is to ascertain it.

A firm using horse-drawn trucks for which the investment has already been made and which only requires an expenditure for maintaining the service, might hesitate at the introduction of Motor Trucks.

However, when it is shown that the capacity of a motor truck equals that of three two-horse trucks and that it costs less to maintain one motor truck than it does to maintain one two-horse-drawn truck, and with this would be enjoyed many other benefits that could not be enjoyed with horse-drawn trucks, the proposition assumes an entirely different aspect.

The Differentiation of a Commodity Refers to its Uniqueness or Exclusiveness of Effect

There are some minds that prefer things that differ essentially from similar things generally made use of by their fellows.

Commodities that are produced to meet such requirements generally have but a limited demand and consequently a restricted distribution. As a result the profits are usually higher, because of the greater risk in investing money in such commodities. This may allow a larger margin for selling costs.

It is generally a difficult matter to advertise such commodities successfully and profitably from either the viewpoints of the seller or the advertising man.

**Uniqueness Refers to Some Oddity of Construction or Design
in a Commodity**

Commodities that are unique are generally freakish. The chief reason for calling attention to such commodities is to suggest the inadvisability of wasting time and money in advertising them.

**Exclusiveness Refers to the Restriction of Production of a
Commodity**

Many things that are advertised as being exclusive, such as exclusive models of clothing, are produced and sold broadcast so that in such cases the claim of exclusiveness constitutes misrepresentation and the firm making the misstatement suffers accordingly.

Other things are exclusive on a large scale. A publisher may print an edition of ten thousand books and then destroy the plates. The edition would be an exclusive one to the extent that only ten thousand people could have a set printed from these original plates. If the publisher subsequently prepares another set of plates and runs a reprint edition he is employing a form of strategic misrepresentation.

Most commodities that are really exclusive are produced to meet a known demand and require very little advertising. Their very value lies in the fact they they are not advertised.

Question Review

- (1) What are the material considerations of commodities?
- (2) What constitutes individuality in a commodity?
- (3) What may be the properties of a commodity?
- (4) What is a specific commodity?
- (5) What is a general commodity?
- (6) What features of appearance may a commodity possess?

- (7) To what does attractiveness refer?
- (8) To what does distinctiveness refer?
- (9) To what does singularity refer?
- (10) What makes a commodity trustworthy?
- (11) To what does uniformity refer?
- (12) To what does reliability refer?
- (13) What may the quality of a commodity be?
- (14) What is intrinsic quality?
- (15) What is simulated quality?
- (16) Upon what is the utility of a commodity dependent?
- (17) To what does appropriateness refer?
- (18) To what does adaptability refer?
- (19) To what does differentiation refer?
- (20) To what does uniqueness refer?
- (21) To what does exclusiveness refer?
- (22) What is strategic misrepresentation?

CHAPTER III

MONETARY CONSIDERATIONS

The monetary considerations of commodities, generally speaking, refer to the fundamental conditions responsible for the expression of a commodity's degree of utility, in terms of the standard commodity known as money. This includes every contingent condition from production to consumption.

The Science of Economics treats of this subject exhaustively and its study cannot fail to be of great benefit to every business or advertising man. However, the exigencies of modern business are such that the average advertising man frequently cannot afford to devote the time necessary for a study of this science.

It is not the intention to here discuss the essential elements of the subject in their entirety, but to discuss such essential elements of the science, a knowledge of which will assist the advertising man in the considerations of the advertisability of a commodity and to act as a suggestive guide to him in the practice of advertising.

Therefore, the treatment of the Monetary Considerations of commodities will be confined to the subjects of value and price and conditions responsible for the distinction.

Value Is the Estimated Relation Which One Commodity Bears to Another, Expressed in Terms of Money

Ordinarily when it is said that a commodity is worth \$1.00 it is meant that the price is \$1.00. Therefore, it would seem that the value of a thing is practically equivalent to its price. However, value is a general indication of comparative mone-

tary relations between commodities, and it, therefore, represents an entirely different thought.

Price Is the Specific Amount of Money Demanded for a Particular Commodity

Money is simply a commodity which is considered as a fixed point and not subject to fluctuation. Therefore, prices may rise or fall with reference to this standard, but values cannot rise or fall because there is no fixed point.

The Value of a Commodity Is Considered Under Two Heads: First—Essential Value; Second—Utility Value

The essential value of a commodity considers the subject from the viewpoint of the producer while the utility value considers it from the viewpoint of the consumer. A commodity's success depends upon the difference of "push" and "pull" between these two viewpoints.

Before advertising became such a dominant power in the business world, the economist was able to figure this point out to a degree—relying upon the human tendency which is responsible for the old adage that "Great bodies move slowly."

However, since the advent of advertising many of the old economic theories have been upset so thoroughly as to require a revision of many of its tenets, in order that it may be of practical assistance under modern conditions. The main reason for this is that economics considers demand for a *class* of commodities while modern business is interested in the possibilities of creating a demand for a specific *brand* of commodity.

Thus today, given a fair commodity and sufficient capital, a demand can be created in one or two years that could not have been equalled in from five to ten years, and more often a lifetime, under old business methods.

Again, in bygone days, it frequently happened that over-

production of staples would result in a lowering of prices, resulting in losses to the producer. This is designated as the law of diminishing returns, which means, simply, that more of a class of commodity had been produced than there was a demand for, or in short that the community of wants was not equal to the supply.

Today, producers have recourse to advertising for the purpose of increasing the community of wants, thereby rendering the law of diminishing returns ineffective to a great extent, and sometimes entirely.

The Essential Value of a Commodity Is Contingent Upon Two Factors: Production Cost and Distribution Cost

While many people consider production and distribution costs as belonging under one head, in that they both constitute the original investment required to place a commodity upon the market, yet there is a wide divergence in the methods employed in the two processes.

The distinction is an important one from the advertising man's viewpoint because a fault or series of faults in either one of the two processes is quite apt to set his efforts at naught and place upon him the stigma of an inefficiency for which he is in no way responsible.

Production Cost Includes Every Form of Outlay Required to Produce the Commodity Complete, Ready for Delivery

These comprise, mainly, materials, labor, overhead expense and any other outlay that is usually included under this head.

This contingency is dependent upon the manufacturing ability of the producer.

There are many cases on record of where excessive manufacturing cost has interfered with the successful marketing of a commodity and the greater the knowledge of commodities that an advertising man possesses the easier will it be for him

to judge as to the legitimacy of a specific commodity's production costs.

Many manufacturers are so confident as to their ability that they cannot comprehend any possibility of error in their methods. If the advertising man is certain that the production cost of a commodity is too high it will be better in the long run for him to let it alone, because in these days of extensive advertising the consumer has ample opportunity to compare values and will not continue to pay an excessive price for a commodity for any great length of time.

As a result of this the advertising cannot produce permanently profitable results, in which event the law of diminishing returns does act. As a consequence of this, the manufacturer blames either advertising or the advertising man.

Distribution Cost Includes Every Form of Outlay Required to Make the Commodity Accessible to the Consumer

As we have seen, it is of little avail to produce a commodity if it is not made accessible to the consumer.

The cost of distribution is dependent upon the efficiency of the selling organization maintained by the producer. When the operations of the selling organization are reduced to a scientific basis, the cost of distribution is reduced to a minimum, thus giving the producer of this commodity a decided advantage over the producer of some similar commodity without a scientifically organized selling department.

The personal element is an essential factor of every sale. Whether this personal element is represented by the reputation of the firm, the salesman on the road or the correspondent behind the letter, or the salesman behind the counter, the underlying principle of personal element is the dominant factor.

Advertising is an intensive process for increasing the capacity of the personal element or in short it is an intensive process for the conservation of distribution costs. If the selling

organization does not coöperate with the advertising, a maximum of distribution efficiency is not obtained.

**The Utility Value of a Commodity Is Contingent Upon Four Factors:
Fitness, Salability, Earning Power and Convertibleness**

Utility refers to the extent to which a commodity fills a want. People sometimes misuse this word, applying it in a way that suggests the *manner* in which a commodity fills a want. In other words it is frequently used as indicating the efficiency or quality of a commodity. This error in application is liable to convey a wrong impression.

For instance, whiskey is a *utility* because there is a certain demand for it. However, whiskey is only useful when applied for medicinal purposes.

Therefore, the utility value of a commodity is contingent upon the manner in which it meets the community of wants and that in turn may depend upon the degree to which the commodity embodies any part or all of the factors specified.

Frequently a commodity possesses all the necessary attributes of utility value, but owing to the lack of a community of wants—or, in other words, a demand—the commodity is not successful. In such cases the proper kind of advertising will create the desired demand.

**Fitness of a Commodity Refers to Its Usefulness for the Want It
Is Designed to Fill**

Under this head will apply many of the various attributes discussed under both General and Material Considerations, including Efficiency, Properties, Trustworthiness, Quality and Utility.

There are many ways in which fitness and production costs may be worked out to a general benefit. For instance, a hair brush manufacturer produced a brush that had 15 rows of bristles. This brought the bristle rows so close together that they presented a practically flat brushing surface, with the result that they did not give efficient service. By reducing

the number of bristle rows from 15 to 13, each row was given greater penetrating powers and the brush was, therefore, more efficient; at the same time the saving effected by the process added materially to the profits.

The point to consider is that it is not alone the quality of the materials involved or the cost of labor, but also the ingenuity displayed which results in usefulness, that governs the fitness of a commodity.

**The Salability of a Commodity Refers to the Manner in Which It
"Catches On"**

Nearly every merchant and manufacturer has had the experience at various times, that has seemed practically unexplainable, of producing or handling a commodity which, for some unapparent reason, has met with popular favor, resulting in a demand which would hardly seem warranted in view of the greater utility of some similar commodities.

Some manufacturers have a happy faculty for producing such commodities, and the most logical explanation may be found in the idea suggested in the discussion of individuality, under material considerations.

Retailers have a tendency to favor such manufacturers, with the result that the advertising of commodities produced by them is productive of better results, probably because it gains a full measure of the retailer's coöperation.

Many of the points discussed under General and Material Considerations also have a bearing upon this point, chiefly those of Appearance and Differentiation.

**Convertibleness of a Commodity Refers to the Price It Will Bring
Under Forced Conditions**

The greater the price reduction required to dispose of a commodity on short notice the lower is its general value. Some commodities only require a slight percentage of reduction while others have to be reduced to less than cost.

This applies either when sold in the open market or by special advertised sales. If a commodity can be readily disposed of at only a slight price reduction, it is a safer advertising investment. On the other hand advertising may produce a reputation for a commodity that will accomplish this result.

The discussion of Substance, Source and Construction under General Considerations will be found of assistance in forming an opinion of a commodity's convertibility.

The Earning Power of a Commodity Refers to Its Possible Resale at an Increased Price

Some forms of commodities improve or increase in value with age. Wines for instance, limited commodities of various kinds, such as diamonds, and investments are all supposed to have an earning power. Therefore the money invested in them should be a safe business proposition.

It must be remembered that this discussion of value factors considers the consumer as the ultimate outlet and that the statements are made with that fact as the basis.

If the advertising man will analyze a commodity on the basis of its value factors he will be in a position to make use of its strongest selling features in the construction of the appeal.

Price May Be Excessive, Normal or Inadequate

Price is considered as being excessive when it is higher than is demanded for commodities of equal value. Price is considered as being normal when it equals the price generally demanded for commodities of equal value. Price is considered as being inadequate when it is lower than is generally demanded for commodities of equal value.

When discussing the value of a commodity, the six essential factors specified should be considered.

It is useless to advertise an article if the price demanded is higher than that asked for similar commodities, because the

demand will not only fail to increase, but have a tendency to decrease after the first or initial demand has been satisfied.

Neither is it wise to advertise a commodity at an inadequate price, because the profit will not warrant the investment. Of course, an exception is made in cases where a commodity is advertised at an inadequate price as a leader.

Some economists maintain that price and value are essentially the same thing. This conclusion is based upon the specious argument that if there is no demand for a commodity it cannot be sold and, therefore, it possesses no value. It is further maintained that the price which can be charged for a commodity is determined by the amount that people are willing to pay for it.

In short, demand ceases at any point where the prospective purchaser prefers the money to the commodity and the highest price which can be charged for a commodity is represented by the amount of money which the prospective customer will pay for it. As it is the custom to measure values by the commodity called money it is held that the amount of money which it is possible to obtain for a thing must therefore represent its value.

Any person who will attend one of the many auction sales in any large city, and who can be inveigled into bidding up any of the articles put up, is quite likely to find that price and value are sometimes so vastly different as to seem entirely unrelated.

When you pay \$.75 for a patent nostrum that costs not more than \$.15 to produce you are paying a price far in excess of the value of the commodity you receive. This is because certain representations are made regarding it which lead you to ascribe a fictitious value to it, in your own mind. It is not really worth the money you pay for it but, owing to these representations, it does possess a utility value which enables the producer to obtain the price he does. The point to be considered is how long will it possess its present utility value?

A man produces a cold and consumption remedy. He spends several hundred thousands of dollars annually in advertising it. One day somebody analyzes it and announces that it is 75 percent alcohol. That instead of benefiting the patient it injures him. Because of this people refuse to demand it. Does this fact change the value of the commodity?

Another man produces a breakfast food. It reaches an enormous sale. A chemist analyzes it and reports that it contains arsenic and that the invigorating properties which it was supposed to contain were in reality destructive properties. Many people refused to demand it thereafter. Does this mean that this commodity possessed a greater value before the exposé than afterward?

A manufacturer of men's socks advertises a regular \$.25 pair of socks for \$.50. He gives a guarantee that if they don't wear for six months the purchaser can obtain another pair free. Some people can wear a pair of \$.25 socks for nine months—others for only one week. The life of a pair of socks depends upon many things: First: Upon the way they fit the foot; second: Upon the shoe; third: Upon the cleanly habits of the wearer; there are other things that have a bearing upon the matter. But, supposing that every purchaser should demand a new pair before the six months expired! What is the result? Simply that by strategic means this manufacturer has created a demand for two pairs of \$.25 socks where he might not otherwise have created a demand for an average of half a pair. It certainly does not mean that the value of these socks was higher because the guarantee blinded people to the true conditions.

Question Review

- (1) To what do Monetary Conditions in general refer?
- (2) From what viewpoints does the advertising man consider them?
- (3) What is value?

- (4) What is price?
- (5) Under what two heads is value considered?
- (6) Upon what two factors is Essential value contingent?
- (7) What are Production Costs?
- (8) What are Distribution Costs?
- (9) Upon what Four Factors is Utility Value contingent?
- (10) To what does the Fitness of a Commodity refer?
- (11) To what does the Salability of a Commodity refer?
- (12) To what does the convertibleness of a Commodity refer?
- (13) To what does the Earning Power of a Commodity refer?
- (14) What may price be?

SECTION 2

CONDITIONS

The various stages through which it is customary for a commodity to pass, from the producer to the consumer, together with the causes responsible for the existence of these stages, constitute the conditions of merchandising.

Merchandising Conditions are considered under two headings—Trade Conditions and Consumer Conditions.



PART ONE

TRADE CONDITIONS

Trade conditions refer to the stages of progression made by a commodity, from the producer up to the point prior to its purchase by the consumer.

In the merchandising of different classes of commodities, and frequently in the case of similar commodities, Trade Conditions may, and generally do, vary to a greater or lesser extent. However, there are many fundamental merchandising principles that are responsible for certain similar Trade Conditions, which affect merchandising generally.

To meet this situation, the discussion of Trade Conditions is considered under two heads: General Trade Conditions and Specific Trade Conditions. General Trade Conditions consider Competition and Outlet. Specific Trade Conditions consider Production and Distribution.

Merchandising Is Scientific in the Ratio to Which Conditions Are Analyzed

To some men business is a gamble; with others it is a Science. It is the ability to analyze conditions that distinguishes the real business man from the speculator. Most business men follow the process of elimination by trial and error. That accounts for so many costly mistakes. Other business men follow the scientific method of analysis; they govern their acts with due regard for cause and effect. They are the "Captains of Industry."

The "speculator" conceives the idea of a "good thing." He gives it a try out. At the end of the year he studies his statement and endeavors to find out why results have been so far below expectations.

The commodity may be meritorious, but it has failed because of some oversight as to conditions. The cost of production or distribution may have been greater than anticipated, or the demand for it less than expected. The figures may indicate that any one or more of several conditions have been responsible for the trouble.

This may seem commonplace, but the very fact that it is a common occurrence makes it worthy of consideration. Its frequency has a far reaching, demoralizing effect, not only in the case of the individual producer, but upon the business world in general and ultimately either directly or indirectly upon the community at large.

Every loss finally exacts its toll from the community and every toll so exacted retards general progress and development in the ratio to which it affects the individual members of society.

It is an unfortunate thing that this condition exists, but it works out to the benefit of the advertising man. A scientific application of advertising to any commodity, cannot be made without a thorough knowledge of past and present conditions upon which to base the possibilities of the future.

The failure of the business man to appreciate the importance of this analysis makes it incumbent upon the advertising man to perfect himself in this capacity. Unless he does so his efforts will be unscientific and result in waste. Upon his ability to fulfill this requirement depends his professional status.

CHAPTER I

COMPETITION

Competition represents the enemy—the opposing mercantile force that must be overcome. To accomplish this requires generalship of the highest order—one that knows when and where to attack and how to conceal or reinforce the weak points in our own lines.

There are instances of where competition has been overcome by mere bluff or unscientific methods but such cases are comparatively rare. An unscientific attack upon or defense against competition generally results in disaster equaling that of the charge of the “Light Brigade.”

Competition May Be Constructive or Destructive

Competition is frequently termed “The Life of Trade.” While there are innumerable records of instances in support of this aphorism yet there are also countless instances of where it has had the opposite effect.

Some years ago a commodity known as the Zobo was put on the market. It consisted of a hollow tube of wood, over one end of which was stretched a diaphragm consisting of a piece of goldbeater’s skin. By humming into a hole, on one side of the tube, an effect was produced very similar to that which can be obtained with a piece of paper and a comb, excepting that it was louder.

In its original state it constituted a mediocre commodity. However, the principle was employed to much better advantage.

By carefully selecting the skin used for the diaphragm and stretching it horizontally over the small end of a bell-shaped

horn, and fitting over this a mouthpiece, a person humming a tune into this mouthpiece would have his voice amplified to a considerable extent and could produce music quite similar to that of a cornet. This instrument was retailed at \$1.00 and a steadily increasing business was developed. However, competition killed it.

Another manufacturer entered the field. He employed a brass-plated tin horn. He used no care in the selection of the diaphragm skins, and, to avoid an infringement suit, the diaphragm was stretched obliquely instead of horizontally. This combination was called the Sonophone and produced ear-splitting, heart-rending sounds. But it retailed for 50 cents. Besides it gave the dealer a larger percentage of profits. "More sales and bigger profits" the manufacturer told the dealer and he fell for it.

The reputation resulting from the advertising and intrinsic merit of the Zobo created a demand for that class of commodity. To all appearances the Sonophone and the Zobo were identical. Neither one could be played effectively without practice, so that the average consumer was unable to judge of the sound quality of either, any more than can an inexperienced person judge the sound or tonal quality of a violin. In consequence, it seemed poor policy for the consumer to pay a dollar when he could apparently obtain the same thing for 50 cents.

Therefore, the Sonophone displaced the Zobo. Proficient playing upon it was impossible and it was soon thrown into the rubbish heap. In the meantime the demand for that class of commodities was killed.

Constructive Competition Is That Which Stimulates the Utility of a Commodity or Class of Commodities

Competition that causes a producer to rouse himself from a rut of self-complacency and produce a better commodity or service than previously, is highly constructive. It gives

the producer a stronger hold upon his business and the consumer receives better value for his money.

When two or more competing commodities are produced in a manner that tends to increase the utility of the class of commodities, either in a similar or substitute manner, such competition is constructive competition.

The utility of a commodity is dependent upon the community of wants, or in other words, upon the number of people who desire or demand it. When the community of wants reaches a fair proportion a *custom* is established. When a custom is established there generally follows a number of supplemental wants. For instance it has now become the custom to use gas stoves in larger cities; as a result of this custom there are manufactured a large variety of constituent or auxiliary commodities such as toasters, broilers and other things which facilitate cooking. This is because the gas stove is a practical commodity. Competition has made it so and with the resultant increase in wants or habits which would not exist if the gas stove was still an impractical commodity.

Destructive Competition Is That Which Diminishes the Utility of a Commodity or Class of Commodities

It will be remembered that the utility of a commodity or class of commodities is dependent upon the manner in which the community of wants is filled. The community of wants is governed by usefulness and price. If the price is prohibitive the public will do without the service. On the other hand price alone will not create a community of wants, if the service is unsatisfactory.

Thus any form of competition which seriously affects the utility of a commodity, in either direction, is quite apt to be destructive.

If there were two gas companies in a city, competition would be keen. Should the competition be based upon a better service to the consumer, such as a brighter light-giving gas,

the competition would be constructive. If on the contrary the competition was based solely upon price per thousand feet, the quality of the gas might be reduced to a point that would render it unsatisfactory or even unsafe.

In such a case not only the utility of gas would be diminished but likewise the utility of gas stoves, lamps, mantles and all constituent commodities.

When a producer has to meet destructive competition, his problem is a difficult one because it is not only necessary for him to create a demand for his specific brand but to overcome the adverse sentiment which the destructive competition has created toward the class of commodities.

Over-production also has a strong tendency to create destructive competition. If a larger quantity of a commodity or class of commodities is produced, than there is a demand for, one of two conditions will result. Either the production is discontinued until the excess is absorbed at the normal price, or the price is reduced to a point where the marginal buyer may be induced to absorb the excess.

In the first case the effect is destructive because it throws labor out of employment, keeps money tied up in merchandise and an idle plant. In the second case, it is destructive because the selling of a commodity at an inadequate price creates a "price-paying" custom, on the part of the consumer, that will be found expensive to change. Either this or else the quality will have to be sacrificed in the future to meet the new price-paying custom. This will diminish usefulness.

**Competition May Be Based Upon One or More of Three Principles:
Price, Quality or Usefulness**

When a commodity is presented for consideration by the seller, it must have some ground for being entitled to the desired consideration. This may generally be determined by comparing it with competing commodities.

The advertising man must be accurately informed upon this matter in order that he may intelligently decide upon the character and construction of the appeal, emphasizing the strong points of the commodity in question and minimizing either directly or indirectly the superiority claimed by competitive commodities.

The importance of the principles upon which competition can be met will vary with different commodities. In some instances price will be found to be the basis upon which a demand for a commodity may be created. In others, price and utility will be essential, and so on.

The value of the advertising man's decision upon this point will be in the ratio of his ability to analyze both Trade and Consumer conditions and to make a practical application of such an analysis.

Price Competition Deals With Selling Cost Regardless of Quality or Usefulness

There has been a tendency in the past few years to consider price as the dominant factor of demand and in many instances results have seemed to justify the claim. Nevertheless it must be remembered that, all things being equal, the cost of production is the same in one case as in another and that price reduction generally indicates a quality or usefulness reduction or both. If neither is the case, then it very probably results in an ultimate loss to the seller.

There are cases, however, where the cost of production or distribution is decreased with a resultant legitimate reduction in price. In such a case price competition is constructive. But where price reduction is made by sacrificing quality or usefulness, it constitutes destructive competition.

Especially is this so when the announced price reduction is accompanied by misleading statements.

Meeting competition upon a price basis is usually resorted

to successfully when the law of diminishing returns becomes effective.

Quality Competition Deals With Constituent Materials Regardless of Price or Usefulness

Quality, as a general rule, refers to the durability of the commodity, although the appearance of a commodity is to a great extent contingent upon its quality.

In some cases, paying a higher price for quality, constitutes a good investment. In others it results in a waste except as it may meet the requirements of those to whom luxuries have become a necessity.

This is especially true in the case of many necessities, in which style is an important factor. For example, a man's suit that will be perfectly serviceable, for one season, can be purchased for \$35. Next season it will be out of style and therefore practically valueless because keeping in style is now a strongly entrenched custom. If more than this amount is paid, it covers the cost of better materials and workmanship that will give the suit an unnecessary finish or durability.

Meeting competition on a quality basis generally requires a greater amount of educational work than does meeting competition on any other basis.

Usefulness Deals With Effectiveness Regardless of Price or Quality

Usefulness refers to the satisfactory manner in which a commodity meets a requirement.

Up to a short time ago, the vibrations recorded on a phonograph disc were transmitted to the reproducer diaphragm by means of a small, soft steel pin. The quality was poor and the price insignificant, but for several years there was nothing offered at any price or of any quality that would be so useful for this purpose.

The Motor Truck presents an entirely different aspect. Not only as to size but as to the essential elements of useful-

ness. The satisfactory manner in which this commodity meets the requirement for which it is designed, is contingent upon both quality and price.

Therefore it will be seen that while in some cases competition can be met on a basis of either price, quality or usefulness, there are some commodities that involve two or even all three of these principles in order to meet competition successfully.

There Are Three Classes of Competition: Actual, Substitute and Progressive

It is a frequent occurrence to hear a producer state that he has no competition. The belief in this fallacy has resulted in an untold number of mercantile disasters. Every producer is in an indirect if not direct competition with every other producer, regardless of the character of commodities produced either by himself or others.

A producer of a cereal product, like Shredded Wheat, for instance, may claim that he has no competition, because his is a patented article and therefore monopolistic. In making this statement he overlooks the fact that even an enormous community of wants has its limitations.

In the United States there are over 90,000,000 mouths to be fed at breakfast every morning. This constitutes the general community of wants resulting from the custom of eating breakfast. Many of the owners of these mouths are in the habit of using Shredded Wheat to satisfy this want. Many of them are in the habit of using something else. Every form of breakfast food used by these others is in competition with Shredded Wheat. Not only this, but quite frequently the producer of a pancake flour is also in competition with both Shredded Wheat and all other breakfast foods.

In short, the producer of any commodity that will satisfy the want resulting from the breakfast eating custom, is in direct competition with every other commodity that is designed for

the same purpose. If Shredded Wheat had no competition the demand for it would amount to 90,000,000 biscuits per day.

Further:—the buying capacity of the community is limited to the earning power of the individuals comprising the community. No individual can afford to purchase every commodity that is urged upon him. Consequently every producer who endeavors to divert to himself a part of the consumer's buying capacity is in an indirect competition with all other producers making the same attempt.

Give a beggar a dime and watch him run to the nearest saloon. Here the whiskey producer competes with the food producer. The stenographer who skimps her lunches to save money to buy clothes with exemplifies the competition between the clothing and food producer.

The producer who believes that he has no competition and acts accordingly, is running his last lap in the race for mercantile supremacy.

Actual Competition Occurs Between Two or More Commodities Designed to Produce the Same Result in the Same Way

There are two phases of Actual Competition: Identical and Equivalent.

When the producers of two similar commodities are competing solely upon a basis of either price, quality or usefulness, it constitutes Identical, Actual Competition.

When the producer of one commodity bases his competitive attack upon price as against the quality or usefulness of a similar commodity, it constitutes Equivalent, Actual Competition. The same applies if the producer bases his attack upon quality as against price or usefulness, or usefulness as against price or quality.

Employing the breakfast food illustration again:—If we find two producers of rolled oats competing, they are in Actual Competition. If the grounds for consideration employed by both is the basis of price, it is Identical, Actual Competition.

If one employs price as his leading argument while the other dwells upon the quality or nutritive qualities of his product, it is Equivalent, Actual Competition.

Substitute Competition Occurs Between Two or More Commodities Designed to Produce Similar Results by Different Methods

Substitute Competition also possesses two phases, Basic and Generic. Basic Substitute Competition occurs when two or more commodities, designed to fill the same want, are based upon the same structural elements. For instance rolled oats and puffed oats are the same elementally. The variation between them is the result of a difference in production process. The same condition exists in the case of old style razors and safety razors.

Generic competition occurs when two or more commodities, designed to fill the same want, are based upon different structural elements. The competition between Puffed Oats and Wheatena is an example of Generic Substitute Competition. The same rule also applies to competition between shaving soaps, powders and creams, as well as tooth powders and pastes.

When Substitute competition occurs it is confined to competition between a class of commodities. The point to consider is that the competing commodities fulfill a given want.

Substitute Competition is usually employed when the law of diminishing returns has reduced Actual Competition to an unprofitable price basis. By substituting a similar commodity, new talking points are afforded.

Thus when actual competitive commodities diminished the demand for rolled oats, the basic commodity, oats, was deprived of a considerable amount of its legitimate demand. By treating them with a new process, such as shooting them out of a specially constructed gun, and calling them Puffed Oats, the producer created a Basic Competition as also did the producer of the Safety Razor.

Progressive Competition Occurs When One Commodity Is More Efficient Than Another

There are a great many substitute commodities that *claim* a greater efficiency than other similar commodities, but such claims are debatable. There are, however, many instances of where the greater efficiency of one commodity over another is unquestionable.

No one doubts that the steamboat is more efficient than the sailboat or that the gas lamp is more efficient than the candle. This accounts for the fact that broom manufacturers do not consider it would pay to advertise brooms in opposition to the vacuum cleaner.

Wherever the superiority of one commodity over another is self-evident, the inferior commodity faces Progressive competition.

Competition Has Two Elements: Extent and Intensity

Whether or not a producer's commodity or that of his competitor possesses any or all of the attributes hereinbefore mentioned, it will only warrant consideration in proportion to the extent and intensity of competition. The greater its extent and intensity the greater will be the cost of meeting it.

Some producers make no attempt to limit their operations to any given territory; others confine themselves to certain localities, still others prefer to sell only in large cities, while another class of producers find their outlet only in certain classes of stores. This may be an arbitrary rule of the producer or the result of custom. In either event, it may constitute the vital strength or weakness of competition.

The Extent of Competition Refers to the Territory Involved

Competition may be local or national. A producer of a toilet goods preparation generally meets with both strong local and national competition. In the large cities as well as

in small towns he has to compete with any number of nationally sold products as well as the "own preparations" of the local druggists.

In most every locality will be found small producers of nearly every class or kind of commodity. Frequently special conditions give this local competition a very perceptible advantage. In any event the advertiser who fails to appreciate the importance of local competition, or to inform himself as to just what extent it exists is likely to regret his oversight.

The Intensity of Competition Refers to Strength of Competitive Selling Efforts

Whether a producer seeks national or sectional sales or whether he determines to confine his operations to a certain class of stores or to cities of a certain size, his success will depend largely upon the intensity of the selling methods employed by his competitors.

If competition is local or concentrated, and also intense, meeting it is expensive and it will frequently be more profitable for the producer to operate, for the time being, in some territory where competition is not so intense. This is especially true in cases where the producer's commodity possesses no really important points of superiority over that of the intense competitor.

Question Review

- (1) To what do conditions refer?
- (2) What are Trade conditions?
- (3) What is competition?
- (4) What may competition be?
- (5) What is constructive competition?
- (6) What is destructive competition?
- (7) How many classes of competition are there?
- (8) What is actual competition?
- (9) How many phases of actual competition are there?

- (10) What is substitute competition?
- (11) How many phases of substitute competition are there?
- (12) What is progressive competition?
- (13) How many elements does competition possess?
- (14) To what does extent refer?
- (15) To what does intensity refer?

CHAPTER II

OUTLET

Two elements are essential to the merchandising of a commodity—buying and selling. Whether the commodity is bought in the shape of raw or unfinished materials, by the producer, or in merchandisable form by some intermediary between the producer and the consumer, the purpose has not been accomplished until the buyer has become the seller.

The channels through which a commodity passes or may pass from seller to consumer, constitute the outlet for that commodity, regardless of whether the seller happens to be the producer or some intermediary between producer and consumer.

The Advertising of a Commodity Is Governed by Its Outlet

The outlet is determined by the status of the seller and the class toward whom he elects to direct his selling efforts. The availability of the outlet is dependent upon possible demand and present supply. The further the seller is removed from the consumer the broader is the scope of his outlet.

Each step taken by a commodity, on its journey from the producer to the consumer, deprives it of a certain amount of the personal element which is a vital factor in its salability. This personal element is the producer's reputation, which is an assurance to the consumer that the commodity not only possesses a utility value in the first place, but that the reliability and uniformity of the commodity will be maintained.

Therefore, the further the seller is removed from the consumer the greater is the number of obstacles to be overcome by his advertising.

In order that this point may be fully understood, the student should possess a knowledge of the main classes of "sellers."

There Are Three Main Classes of Sellers: Producers, Wholesalers and Retailers

A business which reduces a product to the form of a commodity is a producer; as such its status is clearly defined and its outlet is limited only by production and demand limitations. The producer may elect to sell to the wholesaler or to the retailer or to the consumer.

A business which buys and sells in quantity lots is generally known as a wholesaler. However, the status of the wholesaler is a contingent status and therefore not so reliable. In some cases wholesale prices are only allowed to firms who employ salesmen to travel and resell to the retailer. In other cases the allowance of wholesale prices is dependent solely upon the quantity purchased. This latter condition frequently gives large retailers the same buying advantage as the wholesaler. The outlet of the wholesaler is confined generally to the retailer.

Wholesalers are also divided into two main or principal classes: general and exclusive. The general wholesaler buys and sells without restriction upon either himself or the producer as to quantity or territory and is usually known as a jobber. The exclusive wholesaler has certain exclusive rights as to quantity or territory or both and usually guarantees a certain volume of business, thus relieving the producer of selling worries at one stroke. Such a wholesaler is generally known as a selling agent or factor and is usually allowed certain price considerations which enable him to sell to jobbers as well as to retailers.

A business which buys commodities, produced by others, for resale to the consumer, is known as a retailer and as such its outlet is confined solely to the consumer.

While it may seem that the producer has the most advantageous position because of his apparently unlimited outlet, it must be remembered that the producer, as a rule, must limit his outlet to the class to whom he elects to sell. This is because a wholesaler is opposed to handling commodities which are sold direct to the retailer by the producer, and the retailer is opposed to handling commodities which are sold direct to the consumer by the producer, therefore the producer who elects to sell to the wholesaler restricts himself to a wholesale outlet.

The Outlet for a Commodity May Be Direct or Indirect

When a commodity is sold direct to the consumer it has a direct outlet and when it is sold through an intermediary it has an indirect outlet. Thus the outlet of a wholesaler is an indirect outlet, while that of the retailer is a direct outlet. When the producer sells to the consumer his outlet is direct and when he sells to the wholesaler or retailer his outlet is indirect.

Whether a direct outlet is more advantageous to the producer than an indirect outlet depends, to a great extent, upon the natural inclination of the producer. Experience has proven that either method can be followed profitably.

It is generally considered that a direct outlet enables the producer to obtain and retain a stronger hold upon the consumer, inasmuch as in such cases the selling is done by persons whose interest in the particular commodity is paramount to their interest in any other commodity. This assures a more advantageous presentation of the commodity's merits than is usually the case when the indirect outlet is employed, because the object of the retailer is accomplished when he makes a sale, regardless of any particular brand.

While the direct outlet also returns a larger profit per sale than the indirect outlet, there is a greater amount of detail involved with attendant risk, on account of the larger nec-

essary investment, and closer attention to selling methods. Unless the producer has ample capital and ability to establish both a thorough producing and a thorough selling organization, either the production or the selling is bound to suffer.

A Direct Outlet May Be Either National, Sectional or Local

Whether the seller is a producer or a retailer, he may elect to sell direct to the consumer, either locally, sectionally or nationally. In either event the methods are similar in detail, the volume of business being dependent upon whether or not there is an adequate number of selling units to meet the requirements of the situation.

A local direct outlet is limited in extent while a sectional direct outlet is more extensive in scope and a national direct outlet is still more extensive. However, it must be remembered that an extensive direct outlet does not imply an intensive direct outlet. Extensiveness at the expense of intensiveness increases the selling cost.

In Greater New York, for instance, there are three or four retail stores of the Walk-Over Shoe Co., while the Regal Shoe Co. has twelve-odd retail stores. The latter company, therefore, has a much more intensive direct outlet than the former, and it benefits, accordingly, in innumerable ways.

There Are Two Forms of National or Sectional Direct Outlet: Chain Store and Mail Order

When national or sectional direct outlet is obtained by chain stores, each store constitutes a selling unit. When such outlet is obtained by mail order methods each catalog employed is a selling unit. The store would be considered as a stationary selling unit, while the catalog would be considered as a circulating selling unit. The value of any selling unit is dependent upon the number of possible consumers to whom it is accessible and the scope of the direct outlet is contingent upon the value of the selling unit.

Therefore a grocery store located in a closely populated residential section of a city would as a rule be a more valuable selling unit than one located in a purely business section; as the volume of sales would be greater in one case than the other, so should the cost per sale be less in one case than the other.

The producer of an automobile device who sought a direct mail order outlet would find a catalog distributed to automobilists a more valuable selling unit than one distributed to school teachers.

This demonstrates that the value of the selling unit is an important consideration in determining the scope of direct outlet. If the selling units which comprise the outlet are inefficient, the power of advertising is accordingly diminished.

Indirect Outlet May Be Either National, Sectional or Local

As the retailer's outlet is a direct outlet he is eliminated in the consideration of an indirect outlet.

A producer or a wholesaler who decides to obtain an indirect outlet may elect to confine his operations to a locality—a section—or to obtain a national outlet.

The nature of the commodity may determine the scope of its outlet. For instance, the outlet for a commodity designed to meet the requirements of miners is limited to such sections of the country where mines are located. Agricultural implements are limited to rural sections, while the outlet for gas and electric light appliances is limited to sections where electric and gas plants exist.

As far as personal interest in a commodity is concerned, the wholesaler occupies about the same selling relation toward the retailer as the retailer occupies toward the consumer. In either case the interest in a commodity is contingent upon its salability, and that interest results from the fact that it *sells*, rather than on account of *why* it sells. In other

words, the wholesaler and the retailer generally maintain a neutral attitude toward a commodity, putting the burden of responsibility upon the producer and the consumer.

This neutrality on the part of wholesaler and retailer frequently results from two entirely different causes. The wholesaler carries a large line—usually many competitive articles—has heavy expenses, makes a small proportionate profit and has more or less short selling seasons. His business is to make large sales as quickly as possible and his profits do not, as a rule, warrant his taking the time to educate either himself or his trade as to the merits of any specific commodity.

The retailer's neutrality is usually due to the fact that, when indirect outlet is employed from producer to retailer, the retailer is not placed in possession of a knowledge of the commodity, and, being unacquainted with its specific merits, has no particular interest in it aside from its selling qualities. To overcome this condition, in cases of indirect outlet, the producer frequently circularizes the retail trade, offering some inducement which will cause retailers handling the commodity to notify the producer of that fact—after which the producer can educate the retailer by means of follow-up matter.

The producer frequently considers it more advantageous to seek his indirect outlet through the dealer, eliminating the wholesaler entirely. The idea being that, by dealing direct with the retailer, he can stimulate a greater dealer interest and a consequent dealer co-operation which, when backed up by consumer advertising, will reduce the resistance, either passive or active, to a minimum.

In spite of the apparent loss of strength when outlet is obtained through the wholesaler—this form of outlet possesses a number of advantages which are considered, by many producers, to entirely offset the disadvantages. Where the retail outlet is small or inaccessible, the selling expense is frequently greater than the profits, to say nothing of the matter

of credit, bookkeeping and transportation costs. The wholesaler can afford to sell and handle such an outlet because he has greater variety of commodities to supply.

Indirect outlet may be extensive or intensive or both. The principles involved are similar to those that apply to direct outlet, the only difference being that there are one or two or more additional steps taken by the commodity on its journey from producer to consumer.

Indirect Outlet May Be Limited or Unlimited

Custom has made it more or less habitual for the consumer to seek to secure certain classes of commodities in certain kinds of retail stores. Where the sale of the commodity is dependent upon a technical knowledge, which will enable the salesman to adapt the commodity to the requirement of the consumer, this method would seem justifiable. In such cases the possible indirect outlet would be determined by the capacity of the retailer to dispose of that particular class of commodities and the outlet would therefore be limited.

An example of this class of commodities will be found in electrical appliances. There is a specific number of electricians in a given locality or section or in the entire country. These electricians constitute the indirect outlet for certain kinds of electrical appliances, because these commodities are not salable until sold in connection with the technical knowledge required for installing them.

Therefore the indirect outlet for this class of commodities is limited to the buying and selling capacity of the retailers from whom it is customary for the consumer to secure them.

While there are a large number of classes of commodities that are affected by this condition it does not apply to all classes of commodities. Cameras, for instance, can be sold by almost anyone, so can penknives, razors and any number of commodities. When the customary indirect outlet fails to respond to the stimulatory efforts of the producer, it would

be well to investigate and ascertain if a "choked" condition exists, in which event it might be feasible and less expensive to obtain some substitute indirect outlet, rather than resorting to drastic measures in the endeavor to stimulate a demand that would displace the competitive commodities which are responsible for the "choked" condition.

Question Review

1. What two elements are essential to merchandising?
2. What is outlet?
3. How is outlet determined?
4. How many classes of sellers are there?
5. What may outlet be?
6. What is direct outlet?
7. What is indirect outlet?
8. What may direct outlet be?
9. What may indirect outlet be?
10. What determines the scope of outlet?
11. How many forms of direct outlet are there?
12. What is a stationary selling unit?
13. What is a circulating selling unit?
14. What may outlet be?
15. What is limited outlet?
16. What is unlimited outlet?

CHAPTER III

PRODUCTION

Production is that branch of merchandising which consists of the reduction or combination of materials into some form that will satisfy a want. When such a result meets the requirements of a community of wants the product constitutes a commodity.

Production is achieved only by consumption, either of materials, energy or machinery. This consumption represents an investment which the producer makes in the hopes of earning a profit.

Advertising is employed as a form of profit insurance upon the production investment. The utility of the commodity is contingent upon the character of the production investment and the efficacy of the profit insurance is contingent upon the utility of the commodity.

Therefore the production of a commodity is the basis of its advertising. On this account a knowledge of the fundamentals of production is essential to the advertising man.

The Advertising of a Commodity Is Governed by its Production

The function of advertising, as applied to a specific brand of commodity, may be to create a demand for it or merely to sustain a demand for it. In either event it is essential that the advertising be planned to meet the requirement in the most efficient manner possible. Failure to do so results in waste.

When the advertising man is called upon to perform his services he usually faces one of three conditions. 1st, to put new

life into an old business. 2nd, to stimulate the new life of an old business. 3rd, to create life for a new business.

When his services are called upon to create new life for an old business he will find that a knowledge of production is necessary because the very fact that an old business needs new life is generally ample evidence that competition has adopted some improved methods of production or selling which have not been foreseen by this particular concern.

Advertising alone, without locating and improving the condition or conditions, may afford temporary relief, but its effect is quite apt to be more disastrous in the long run than no advertising because the unwarranted confidence so created may result in an ignorance of the facts with a subsequent overwhelming loss of business.

Some years ago a manufacturer of women's knit underwear found that his business was dropping off rapidly and decided that advertising would overcome the effect of competitors' advertising. He made an appropriation and as a result obtained a large distribution.

However, his commodity did not possess the utility value of that of his competitors so that his goods remained upon the dealers' shelves until they were sold at a loss.

When he finally awoke to the real trouble and made the needed improvements in his commodity, he had considerable difficulty in getting the dealers to restock his goods.

For a long time this manufacturer was firmly convinced that advertising did not pay and when he realized the facts in the case he had to spend an enormous sum to overcome the dealer—resistance that he had created by his previous advertising.

When the advertising man is called upon to stimulate new life for an old business, he has an easier proposition because in this case the desire to advertise is the result of improved production and the consequent wish to inform the consumer of the greater utility of the commodity. This is especially true when the new activity is along original lines.

However, when the activity is directed toward the merchandising of a different class of commodity than that for which a reputation has been established, greater care must be exercised.

A few years ago, a firm which had an established and enviable reputation for manufacturing surgical supplies, decided to place an antiseptic shaving cream on the market.

In addition to the fact that they had to combat strongly entrenched competition, they found that the reputation which they had established as manufacturers of one class of commodity did not carry much weight with the new one. Not realizing this fact, they felt that their advertising expenditure was a poor investment and as usual the blame was shouldered upon advertising.

The creating of life for a new business is one of the most dangerous tasks that confronts the advertising man. This is true whether the product is a new class of commodity or whether it is a competitive one.

In this case, there is no established basis of production. If the advertising overstates its utility, dissatisfaction results. If the utility is understated the advertising fails to do justice to the commodity.

Likewise if the probable demand is overestimated, over-production results, producing destructive competitive conditions as indicated in the chapter(of this work)on competition. If the probable demand is under-estimated, production is inadequate. This results in dissatisfaction upon the part of disappointed inquirers after the goods, which is far worse than if no interest had been created by the advertising.

It may seem that inasmuch as advertising designed to create demand is of necessity the most forceful, this form of advertising would be the most desirable.

However, there are numberless concerns with a limited capacity whose proprietors are content with the present size of their business and who lack either the initiative or capital to install equipment necessary for a larger business. In such

cases advertising which accomplishes more than the sustaining of demand would be doubly wasteful in that it would involve a greater expenditure than would be required as well as causing dissatisfaction on the part of the unsatisfied or unsupplied demand so created.

Of course the distinction between copy designed for sustaining or that designed for creating demand would be contingent upon the extent of actual or substitute competition as well as the extensiveness and intensiveness of the competitors' selling efforts.

The Factors of Production Which an Advertising Man Should Consider Are Capacity and Efficiency

While it is not essential that the advertising man possess a technical or scientific knowledge of production, yet there are certain general aspects of it regarding which he should have at least a theoretical if not a fairly practical knowledge.

The essential elements of production which are of interest to the advertising man are the quantity and quality of the production. The extent of his work will be based upon the production quantity and the character of his work will be based upon the production quality.

Both quality and quantity of production are contingent upon capacity and efficiency. If the attempt is made to produce beyond the legitimate capacity, quality is quite liable to be sacrificed. If inefficiency prevails the same condition will result. On the other hand, a maximum production efficiency will tend to increase quantity and to improve quality.

It frequently happens that advertising will create a demand in excess of apparent capacity and the producer, in the endeavor to meet this demand, will intensify production without any change of equipment or methods. While in some cases this may be accomplished without detracting from quality, it generally requires some change of methods and often a change of equipment.

The producer may consider such changes to be an unwarranted expense. In the end he finds that he has practised a false economy, because the resulting deterioration of quality reduces the demand for the commodity and creates a greater amount of resistance for his advertising to overcome.

When such a condition is the cause of poor results from advertising, the producer usually concludes that advertising does not pay him long before the true cause is ascertained. This conclusion may be correct in effect but it is wrong in principle.

Advertising cannot be expected to overcome a lack of demand for an inferior commodity but that is not any fault of advertising. The inferiority or superiority of a commodity can only be determined by a comparison between it and other similar or substitute commodities. Such a comparison also determines its relative utility.

Therefore, it will be seen that a knowledge of production is helpful to the advertising man in order that he may be able to ascertain with a fair degree of accuracy, as to the reliability and elasticity of the production of the particular commodity that he is called upon to exploit. Such a knowledge may enable him to analyze the productive conditions and to judge with greater certainty as to whether the advertising should be designed to create or merely to sustain demand.

Should such an analysis indicate the possibility and feasibility of a more extensive production, the result will be a larger volume of business and a consequent greater profit to the producer. Such a service will be of greater value to the producer than if the advertising man contented himself with sustaining the producer's present demand.

It may be considered by some that such a service is not legitimately within the province of an advertising man, but the fact remains that many advertising men are rendering just such a service. As the utility of an advertising man's service (an intangible commodity) is determined in the same manner as is

the utility of any other commodity, i. e., by comparison with other similar commodities, it will be found that this work is strictly within the province of the advertising man.

The greatest obstacle to be met in the performance of such a service is the producer's objection to permitting anyone to obtain a knowledge of what he considers to be his business secrets. The advertising man who has a reputation for ability and integrity is more likely to inspire the confidence of the producer, thereby eliminating this obstacle and making his success more probable.

The Capacity of Production Is Contingent Upon the Producer's Equipment and Capital

Progress means improvement. In some lines progress is more rapid than in others, but in every line each step of progress—each resulting improvement in production equipment discounts the utility of previous production equipment. It also gives its possessor a decided advantage over competing producers.

Whether the producer's equipment be mechanical or otherwise his capacity is limited by the extent and the quality of his equipment. If he wishes a more extensive production an investment may be required for additional equipment. If he wishes a better production an investment may be required for more effective equipment. These improvements may be necessitated by one of two conditions—either to meet the requirements of increased demand or to offset the equipment improvements of competitive producers.

When this necessity is evident the producer has one of two alternatives—either to make the investment or to bank the fires and wait for the ship to sink. Progress waits on no man. It is a resistless taskmaster and makes no allowances. Advertising may afford a temporary respite in such a case but never a permanent relief, and the advertising man who en-

deavors to relieve such a situation by advertising alone will only damage his own reputation.

There was a time when the shoemaker's equipment consisted of a last, an awl, a needle, thread, hammer and some other articles. Today the equipment of a successful shoemaker comprises enormous buildings containing scientifically designed and mechanically perfect, labor saving machinery.

Under existing conditions one is known as a cobbler while the other is called a manufacturer. Nevertheless, both are shoemakers. The differentiation indicates the different qualities of initiative between the two.

The ability of the producer to meet such a requirement is contingent upon his available capital and his available capital may be derived from one or both of two sources: Investment and profits or earnings.

There are numberless cases of businesses with an inadequate capital invested. This causes many kinds of embarrassments, all of which have a strong tendency to injure production. Materials and equipment can be purchased cheaper in large quantities for cash than in small quantities, on time. The difference between the cash price and time price of such investments not only deprives him of the use of so much money but he is under the necessity of earning a larger profit because the investment is larger. This gives a competitor a decided advantage that can be employed against him either on a competition basis of price or quality.

No producer should attempt to increase the demand for his commodity until he has ascertained that he is in possession of ample capital to meet and handle the financial requirements of such an increased demand, and the advertising man who permits him to do so is liable to have his trouble for his pains.

Many producers rely upon their earnings, in the shape of profits, to help them out. This is justifiable only when the profit is ascertained upon an exact basis, but is a mighty unreliable asset if it is only an estimated profit. While it is un-

doubtedly true that there are many businesses existing under conditions which seem to make it impossible to obtain accurate or exact data as to profits, this is simply due to an inefficiency in this respect. In spite of the fact that there are many cases where the obtaining of such data would be very difficult, yet in these days of scientific management there is no question that it can be done. It is simply a matter of ways and means.

Relying upon prospective profits has been one of the most serious evils that has confronted both the advertising man and the producer. It is nothing more or less than a pure gamble upon the part of the producer and no advertising man should be a party to it.

The Efficiency of Production Is Contingent Upon Accessibility and Organization

The producer whose plant is inaccessible to labor, materials or distribution is working under a serious handicap, because this condition affects the reliability of his production both as to quantity and quality.

In the case of labor, the local supply is limited, its cost to the producer is higher than it should be. This gives the competing producer who does not experience this difficulty, an advantage. Producers have frequently been forced to move their entire plants, on this account, to some locality where labor was more plentiful.

If the producer is inaccessible to the materials required for the production of his commodity the cost of bringing it to his plant is excessive and places limitations upon him similar to those resulting from insufficient capital. The extra transportation constitutes an increased productive cost which deprives him of working capital and requires that he make a larger profit.

When the producer is inaccessible to the territory in which he must obtain distribution for his increased production, he either meets with resistance resulting from the higher selling

price, which the dealer must charge in order to make up for the greater cost of transportation, or he must sacrifice a part of his profit. In some cases the latter method is the most feasible, while in the other cases it is impractical.

Any of these forms of inaccessibility constitutes an inefficiency which reduces production capacity and should be taken into consideration when planning the advertising.

For example, supposing a producer in Boston was in competition with an equally progressive one in San Francisco. His commodity would be less accessible to Pacific Coast consumers than would that of the San Francisco producer. The country could be divided by a line which would include such points at which both commodities would be equally accessible. The Boston producer should then confine his distribution east of that line or else erect a plant upon the Pacific Coast.

The efficiency of production is contingent upon the character of its organization. If it is an ineffective productive organization, all the benefits of other forms of efficiency and capacity are offset to a greater or lesser extent.

Roughly speaking a productive organization may be said to comprise three principal subdivisions: (1) the Executive or Managerial Branch. (2) the Consuming or Purchasing Branch. (3) the Producing or Operating Branch.

Each of these branches must be constituted and conducted in a way that is coöperative with the others. If one or more is inefficient, the efficiency of all is affected. If friction exist between two or more of them, efficiency is also affected. In either case, the existing inefficiency reduces capacity and quality in the ratio to which the inefficiency exists.

These are matters which will be found discussed at length in articles upon the recently developed commercial science known as scientific management. While the principles underlying this new science have only been lately put before the public in a general way, they have been deduced as the result of many years of actual, practical tests. Every advertising

man should consider it as an essential part of his education to assimilate as much as possible of the literature that has been published upon this subject and he cannot fail to find it of inestimable value to him.

Production May Be Absolute or Dependent

Some producers have equipment for the production of every constituent part of their product. On the other hand there is a vast majority of producers who rely upon other producers for the constituent parts of their product. In some cases this is carried to such a degree that the production practically consists of assembling the products of others into a combination which possesses a utility value.

In some instances this latter condition is necessitated by the producer's financial limitations which would make it highly impractical for him to install an extensive equipment.

In other cases it is due to the fact that one or more of the constituent elements are controlled by another producer, as for instance the producers of some face creams use Russian white oils as a base. It would be an impossibility for such producers to procure their own white oils, as the sources of white oils are already controlled.

Frequently it is a real economy for the producer to obtain some part or parts of his commodity from another producer. The case of the cold cream producer also illustrates this point. The use of Russian white oil as the base of a cold cream is only one of many uses for which it possesses utility. If the cold cream producer should be able to control a white oil source and produce it only for his own use, it would cost him more to produce it than he could buy it for from some other white oil producer.

Whether the practice is justifiable or not, in any specific case, the product which is so produced is dependent both for quality and quantity upon the equipment, or in other words, upon the capacity and efficiency of the producers of the constituent

materials. This is liable to affect both the reliability and the delivery of the product.

About five years ago an automobile speed gauge was put upon the market. The accuracy of the instrument was dependent upon a steel hair spring. Owing to the fact that it was impossible to obtain a quantity of such springs that could be relied upon to meet the sudden and widely different pressures, no two of the gauges would register the same speed under the same conditions. This made it necessary to adjust each spring and the process was so expensive that the gauge could not be sold at a price that would meet competition.

So after having wasted a number of years and several thousands of dollars the producer was forced to give up the proposition without any hope of recovering his losses. Incidentally every person who purchased one of these instruments became more or less skeptical as to the utility of this class of commodity, thereby creating a greater amount of resistance to be overcome by the producers of reliable speed gauges.

Production May Be Simple or Complex

As stated in the second installment of this work, there are two kinds of products, natural and artificial. The producing of a natural commodity is simple production, while the production of an artificial commodity is complex production.

Simple production is dependent upon two elements: (1) the vagaries of nature; (2) the ability of some individual to select and assort in a systematic and reliable manner the various qualities produced by nature. This requires that the producer himself be an expert upon the subject. If he is not he is walking in the dark and some more expert competitor will have a great advantage over him.

Ostrich feathers are a good illustration of simple production. The value of a raw plume is dependent upon the sex of the bird it was plucked from; the part it came from, such as wing or

tail; the health of the bird; the climatic conditions under which it was raised, and a number of other things.

While there are numberless people engaged in the ostrich feather business, comparatively few can tell the value of their stock without reference to the cost ticket. Some, however, can tell the value of raw plumes on sight. Coffee and tea are also good illustrations of simple production.

Complex production is, as a rule, the result of formula or process and is dependent upon the accuracy of the formula or process and the exactness with which the various operations are effected.

The success of both simple and complex productions is dependent upon the producer's knowledge of his business and the extent to which claims can be made for the commodity is contingent upon the producer's ability to back them up.

Production May Be Related or Unrelated

Occasionally an advertising man will be called upon to exploit a commodity produced by some concern that has been engaged for years in the production of an entirely different class of commodities.

It is generally considered that such a proposition simply involves taking advantage of the reputation which the firm has already established as producers of the unrelated commodities. As a matter of fact such a producer is likely to find that his established reputation is not only of very little assistance, but that the exploitation of the new commodity is quite apt to exercise a detrimental effect upon that reputation.

About fifteen years ago a business was incorporated for the purpose of manufacturing men's hats. After ten years the proprietor concluded that, having built up a good business and reputation with a large number of men's wear dealers, he might cash in upon it by adding other lines which were handled by this class of trade. So he added men's clothing and certain articles of furnishings.

It was not long before the trade let him know that they suspected he was not giving as good value as previously. Generally speaking the assumption was based upon the conclusion that he was no longer a specialist, but divided his attention between three lines and could not therefore produce commodities possessing the same degree of reliability and uniformity as when he confined his entire attention to one line. After two years he discontinued the furnishings entirely and made a separate and distinct business of his clothing—using a different address, literature and advertising.

Production May Be Specialized or Generalized

Some firms make a specialty of a specific class of commodities while others include a number of related commodities, in their line. In the one case the selling is simplified, while in the other it is complicated because it not only divides attention but capital.

One well-known firm, for instance, produces varnishes only—another one produces both paints and varnishes. Still another generalizes in all kinds of oil products, both vegetable and mineral. This latter concern makes not only paints and varnishes, but lubricating oils and greases for all kinds of machinery. It also produces a petroleum jelly and mineral white oil as well as polishing oils, floor waxes and a number of other oil products.

The result of this is that their sales and advertising power is divided up into stimulating demand in over one hundred different channels, which prevents the highest selling efficiency.

Question Review

1. What is production?
2. How is production achieved?
3. How does production govern advertising?
4. What are the two important factors of production?
5. What are the essential elements of production?

6. Upon what is production capacity contingent?
7. How does equipment affect production?
8. How does capital affect production?
9. Upon what is production efficiency dependent?
10. What is absolute production?
11. What is dependent production?
12. What is simple production?
13. What is complex production?
14. What is related production?
15. What is unrelated production?
16. What is specialized production?
17. What is generalized production?

CHAPTER IV

DISTRIBUTION

As we have seen, Production deals with the creation of a commodity: Outlet refers to the channels through which a commodity may pass in order to become accessible to the Consumer. Unless a commodity finds its outlet there is no trade.

The process by means of which a commodity is impelled from its producer to its outlet is called Distribution. As it constitutes the most important phase of merchandising, Distribution might quite properly be termed the life of Trade.

Distribution should be considered from three standpoints, i.e., agency, conveyance and result. Distribution agency refers to the methods by which distribution is obtained. Distribution conveyance refers to the means by which commodities are transported from producer to outlet. Distribution result refers to the effects produced by distribution methods.

Distribution May Be Direct or Indirect

When a commodity is sold to the consumer by the producer, without the assistance of an intermediary, it has a direct distribution.

Direct distribution is achieved either by endeavors made through the mails, by means of letters or printed matter, or through special local agencies established by the producer.

When a commodity is sold to the consumer through the retailer, or through the jobber and the retailer, the commodity has an indirect distribution.

The fact that a commodity has either direct or indirect distribution is not always proof that the form of distribution

is the best form that could be employed for this particular commodity.

In cases where the commodity requires demonstrating, in order that its utility may be appreciated in a most effective manner, such as typewriting machines, or where there is a considerable expense involved for transportation or installation, as in the case of machinery, direct distribution is usually considered to be most advantageous.

Frequently a producer, who lacks sufficient capital to obtain an effective indirect distribution, will employ direct distribution as a means toward stimulating subsequent indirect distribution.

There is a logical outlet for every class of commodity, but the conclusion as to whether the method of distribution employed is in conformity with the logical outlet is a matter which can be determined only by the most exhaustive analysis of possible conditions. The method of distribution which effects sales at the lowest selling cost per sale, is the logical method of distribution.

Changing existing distribution methods requires a change of selling and buying customs, and is liable to be costly in proportion to the length of time present methods have been employed and should, therefore, be considered carefully before it is decided upon. However, it may be found that this expense gives promise of being but a temporary matter and that subsequent savings will more than justify the cost of making the change.

Distribution May Be Active or Passive

Some producers are satisfied with distribution which meets what might be termed a normal demand. That is, they have accustomed themselves to the idea that they can dispose of a certain quantity of their product each year and are contented so long as their distribution efforts are productive

of the desired amount of business. The distribution of such producers is a passive distribution.

Other producers will figure what the demand should be and then endeavor, by more active distribution methods, to stimulate the demand up to the possible point.

However, the fact that distribution is increasing annually, to a certain extent, is not sufficient evidence of active distribution. If for one reason or another there is a growing need for the class of commodity in question, and a lack of substantial competition, an increased distribution would naturally follow. The producer who is content under such conditions is missing an unusual opportunity to reap a rich harvest. Nevertheless this is a most frequent occurrence and it is an unfortunate fact that such producer's ignorance of the possibilities prevents him from realizing their losses.

Unless the producer employs the most active distribution methods possible, his selling cost is higher than it should be and this excess represents a loss. In addition to this he also loses the cumulative benefits resulting from a more widespread use of his commodity.

Distribution May Be Extensive or Intensive

When distribution covers a wide territory it is said to be an extensive distribution, when the territory is covered thoroughly it is said to be an intensive distribution.

Distribution that is merely extensive without being also intensive is a more expensive distribution because the cost per sale is greater than when distribution is intensive. There are a great many kinds of goods for which distribution is equivalent to demand. This is because there is a need for these commodities and it is only necessary to display them in order to sell them. Again there may be a demand for a commodity, resulting either from interest or satisfaction, and if the distribution is not intensive enough to meet this demand, some competitive commodity is liable to reap the bene-

fit. Intensive distribution also means that larger quantities of the commodity will be shipped at a time, which reduces transportation cost and effects a saving either for the producer or retailer thereby either giving the producer a greater profit, or stimulating a greater interest upon the part of the retailer.

In addition to this, intensive distribution conserves the efforts of the salesman and the effect of advertising, giving value to sales energy that would otherwise be wasted.

When the advertising man is called upon to render his services on behalf of a commodity possessing an extensive but not intensive distribution, his first concern should be to obtain a more intensive distribution or his efforts will be of little avail. His advertising may induce the strongest possible desire and even a demand for the commodity, but without a distribution, which will satisfy the demand, his work is worse than useless because he has spent money without a chance of cashing in on the investment.

Distribution May Be Restricted or Unrestricted

When a commodity is handled by one retailer in a locality it has a restricted distribution. When a commodity is sold through any number of retailers in a locality it has an unrestricted distribution. When the producer employs restricted distribution, the retailer handling his commodity is known as a special or exclusive selling agent.

There has been considerable discussion as to which method of distribution is more satisfactory. It is claimed by those who believe in restricted distribution, that the retailer will benefit because many customers will be forced to come to his store for the commodity in question, who would not otherwise do so. This has the effect of advertising the retailer and he will, therefore, work more faithfully in the interests of this particular producer.

On the other hand the adherents of unrestricted distribution claim that the consumer will not go to any great amount

of trouble in order to procure a certain brand of commodity and the greater the convenience to the consumer the greater will be the volume of sales. Another objection made by those who prefer unrestricted distribution is that restricted distribution places the manufacturer's interests, in a particular locality, practically in the hands of one person. As to which method would be most advantageous is dependent upon the need for the commodity, the cost of the commodity, the amount of substantial competition that exists, and the character or individuality of the retailer selected.

A person buying a piano is making what will probably be a life-time investment which would require a fair sized amount of money. These conditions would, therefore, make it a matter of considerable importance and he would probably visit a number of piano manufacturers' exclusive agents regardless of their location or the time required to reach them. On the other hand a man might be interested in a certain brand of socks, but upon finding that it would require an hour of his time and ten cents car fare in order to reach the exclusive selling agent, he would quite probably consider that it was not a sufficiently important matter.

Sometimes, when distribution is limited, restricted distribution can be used advantageously to stimulate unrestricted distribution. In such cases the method is to select some well known, centrally located retailer and make him such inducements as will overcome his particular resistance. When other competitive retailers observe that this leading retailer is handling this line, they are more likely to consider handling it themselves.

Distribution May Be Premature or Belated

As stated in the first installment of this work, distribution may be accomplished in three ways: "by salesmanship; by advertising or by both." Following the definition of "Distribution Cost," in the fifth installment, is the statement that

advertising is an "intensive process for the conservation of distribution costs." Assuming this deduction to be a correct one it is evident that distribution will be the most economical when both salesmanship and advertising are employed.

When both salesmanship and advertising are employed to obtain distribution, each process is more or less dependent upon the other and a maximum of efficiency is only obtained when both the salesmanship and advertising coördinate. If advertising is contemplated, it is bound to create a certain amount of interest and demand for the commodity; this naturally stimulates the retailer's interest in it, as it simplifies his selling problems. This gives the commodity an additional advantage over an unadvertised competitive commodity, and the salesman who fails to make use of this point overlooks one of his strongest selling points.

However, if there is not an intelligent and reliable coördination between the salesmanship and the advertising, what should be a strong selling point becomes a cause for dissatisfaction that is liable to result in waste.

When the salesman induces the retailer to stock up in the belief that the advertising will be of great assistance to him in disposing of that stock, and the advertising fails to accomplish that result within a reasonable time, the retailer naturally resents having been induced to invest his money unprofitably. Even if the advertising subsequently becomes effective or if for some other reason he is able to dispose of the stock eventually, it is generally a difficult matter to revive his interest and coöperation in the sale of that commodity.

The salesman should not use the proposed advertising as the basis of his selling talk for the purpose of inducing the retailer to stock up too far in advance of the advertising or until there has been a reasonable amount of evidence that the advertising will be effective.

On the other hand when advertising is relied upon to stimulate retailer coöperation by creating a demand for the

commodity there is also a considerable risk involved. If the consumer has been interested by the advertising to a point where he seeks the commodity from the retailer and is unable to secure it, the consumer naturally resents being sent on a wild goose chase, and entertains an adverse opinion of the commodity which is difficult to overcome even though a thorough distribution is subsequently effected.

Misstatement as to the accessibility of a commodity constitutes misrepresentation just as much as does misstatement as to its utility. The advertiser who states in his ad, "at your dealer's" when there is only a sparse or unreliable distribution diminishes the effectiveness of his advertising in a most subtle and unfortunate manner.

It must be remembered that the demand for a commodity is contingent upon its utility and that, therefore, utility is the logical basis upon which to obtain distribution. Advertising increases the salability of a commodity only as it disseminates a knowledge of the commodity's utility and promulgates interest in it.

The relative values of the various methods of obtaining distribution, as considered in connection with a specific commodity, can best be determined only after a study of the competitive conditions with which it has to contend.

Distribution May Be Controlled or Uncontrolled

A number of outlet factors, intervening between producer and consumer, reduces the producer's control of his distribution.

When a producer sells through the jobber exclusively his business is dependent to a great extent upon the devious selling methods employed by the various jobbers to whom he sells. Some are over active in selling his product while others are almost indifferent to his interests.

In the first instance the jobber's zealously is liable to result in the overstocking of retailers with the result that when they

find themselves "long" on the commodity in question, they will cut prices in order to move the goods and get back their investment. This is particularly true in cases where the commodity is a seasonable one that is subject to changing styles and cannot be safely carried over to another season.

This affects the dealer practically in the same manner as overproduction affects the producer and the consequent cut in prices is liable to lower the general opinion as to the value of the commodity.

When the producer sells to the retailer, eliminating the jobber, his salesmen, being in direct touch with the situation, are in a position to know about what quantity the retailer can handle advantageously and will, therefore, discourage any tendency the retailer may have to overstock. Besides this, if the retailer does overstock, the salesman, having a knowledge of the fact, can enlist the assistance of the producer to help the retailer to dispose of his surplus stock at regular prices, thereby maintaining the integrity of the commodity.

When the jobber is indifferent to the producer's interests, the commodity fails to obtain proper distribution, which means that his selling costs, in the territory covered by that jobber, are higher than they should be. When the producer sells to the retailer the matter is entirely within his control and the intensiveness of his distribution is contingent only upon his own selling efforts.

There are many arguments in favor of and against controlled distribution, but the first and most practical consideration of the matter should be whether the producer is financially and otherwise equipped to maintain a selling organization that will cover the territory efficiently. Aside from this, both methods have been practised satisfactorily and it simply amounts to a question of whether the producer prefers to stimulate the activities of the retailer or the jobber.

Distribution May Be Natural or Stimulated

Some producers sell their commodities to the retailer at what are known as "straight" or "regular" prices, while others offer some special inducements to stimulate and concentrate the retailer's interest.

When the natural or regular price method is employed the retailer is furnished with a price list which informs him exactly what it will cost him to purchase the commodity in specific quantities.

When the stimulated method is employed the special inducements offered the retailer are various and widely different. Some producers offer the retailer a cash bonus or rebate that will be paid to him at specific intervals provided he has disposed of stated quantities of the commodity. Others offer him free merchandise with each order, sometimes an extra dozen of the same article with every gross order, or perhaps the offer will include two dozen of another article with every dozen. A well known toilet goods manufacturer sends out a special combination offer of this character every month and this is done in connection with an exceptionally large advertising appropriation. One manufacturer of a popular commodity employed this method to both stimulate a greater distribution of his regular commodity and also to obtain distribution for a new article he had added to his line. The retailer, after taking advantage of the offer, necessarily sold the new goods in order to make the extra profit. As it gave satisfaction a demand was created which established the new commodity as a staple.

Another stimulative method is designated as a coöperative plan whereby the producer in return for the retailer's presumed coöperation, issues stock to him. In some instances this method has been most successful, while in others it has been a flat failure. The value of this method is dependent to a

great extent upon the reputation of the producer and the manner in which the proposition is presented to the retailer.

Still another stimulatory method is the proposition of the producer to spend, for advertising in the dealer's name, a sum equal to an agreed percentage of the value of the goods handled by the retailer. The sums so spent have ranged from five percent to above fifty percent of the retailer's purchases.

While some of these methods are perfectly legitimate most of them are designed to take advantage of the "something for nothing" instinct and in the long run may be found to be more expensive than straight merchandising methods.

Distribution May Be Protected or Unprotected

When the producer undertakes to protect the retailer against loss of the profits that his efforts should bring him, distribution is protected. When the producer fails to make such an effort, the distribution is unprotected. There are two ways in which the producer may protect the retailer. First: he may protect him against price competition. Second: he may protect him against the loss of sales that rightly belong to him.

The first form of protection is accomplished by inducing all retailers handling the commodity to sign agreements that they will maintain prices. In some instances, as in the case of patented or monopolistic commodities, the producer can force the retailer to maintain prices, but in other cases the producer, as a rule, has no redress in case a retailer does not live up to his agreement.

Some producers employ the bonus method advantageously to accomplish this result, demanding from the retailer a sworn statement to the effect that he has maintained prices, before paying the bonus to him. Various strategic methods have been resorted to in the endeavor to bring price-cutting retailers to terms. In one case the producer, after pleading

unsuccessfully with a refractory retailer, placed the neighboring retailers in a position to quote lower prices than the price cutter. When he made another cut, the other retailers were enabled to go still lower until at last he realized that if the manufacturer gave the goods to his competitors long enough, they would undermine his business, so he decided to come to terms.

The second form of protection is a still more important one. Many producers in their overzealousness will attempt to distribute through the retailer and also direct to the consumer. This is not fair, from the retailer's point of view, as he feels that the producer is filling orders that might otherwise come to him. On this account the retailer is very much averse to handling commodities of producers who also seek direct distribution.

There are a number of large mail order houses in the country and when a producer receives a fair-sized order from one of them, he is quite apt to be pleased. However, these mail order houses make a strong point of the fact that they sell at lower prices than does the local retail merchant. This argument together with the lower quotation frequently takes considerable business away from the retailers, especially those located in more or less rural districts. On this account the retailer is quite apt to refuse to handle a commodity which is sold by a large mail order house.

Distribution May Be Reliable or Unreliable

When the salesmanship and the advertising result in orders from retailers, there is still one important duty which the producer has to perform in order to make all the previous work effective, and that is to deliver the goods.

Many a producer fails to appreciate that when the retailer places an order with him, the retailer is relying upon the sale of those goods for his profit. Through carelessness or poor system, the arrival of the goods at the retailer's is delayed

and he is consequently deprived of profits, which condition he justly resents. Under these circumstances it is not to be wondered at if the retailer fails to become enthusiastic over the possibilities of this producer's commodity.

While it should not be, yet it is necessary for the advertising man to inform himself fully as to the adequacy of the producer's shipping methods or he may have cause to wonder why his efforts are unproductive.

Distribution May Be Coöperative or Antagonized

As a result of the various production and distribution methods which the producer may or may not employ, the retailer may coöperate with or antagonize his efforts.

One of the chief causes of antagonism which may be termed as dealer resistance, is the failure of the producer to allow the retailer a fair profit. This is unfortunately a very frequent occurrence in the case of advertised commodities.

The producer will claim that he is spending money to help the dealer make more sales and bigger profits and then proceed to mulct the retailer of a percentage of his profits. The producer considers that he is justified in doing this in order to help defray the advertising cost.

Such a theory is fundamentally erroneous. As advertising is an intensive process (or should be) which conserves selling cost, the cost of advertising should constitute an investment which the producer makes to secure greater profits for himself by reducing his selling costs and instead of depriving the retailer of a part of his profits the producer should, by all laws of logic, be enabled to give the retailer a larger profit on advertised goods than a producer of unadvertised goods can afford to allow.

Question Review

1. What is Distribution?
2. What is Direct Distribution?
3. What is Indirect Distribution?

4. What is Active Distribution?
5. What is Passive Distribution?
6. What is Extensive Distribution?
7. What is Intensive Distribution?
8. What is Restricted Distribution?
9. What is Unrestricted Distribution?
10. What is Premature Distribution?
11. What is Belated Distribution?
12. What is Controlled Distribution?
13. What is Uncontrolled Distribution?
14. What is Natural Distribution?
15. What is Stimulated Distribution?
16. What is Protected Distribution?
17. What is Unprotected Distribution?
18. What is Reliable Distribution?
19. What is Unreliable Distribution?
20. What is Coöperative Distribution?
21. What is Antagonized Distribution?

CHAPTER V

SALES POLICY

The sum of the methods a producer employs, in the effort to effect distribution and demand, constitutes his sales policy.

The adequacy of a sales policy is contingent upon the producer's ability as a selling executive and his attitude toward his fellow man.

Whether these methods are employed consciously or unconsciously they constitute a selling policy because they are an expression of the producer's personality and his ability to exploit it effectively.

Before concluding as to the consistency or inconsistency of any part of a sales policy, the part in question must be considered in connection with its relation to the other parts. It must also be considered in connection with its relation to the producer's attitude upon that point. To make one change in a sales policy may require a readjustment of the entire sales policy. It may also necessitate changing the producer's attitude.

The Sales Policy May Be Planned or Haphazard

Some producers have comprehensively mapped out plans as to where and by what means they are going to obtain distribution and demand. They also have clearly defined policies which are the basis of their endeavors.

These firms have ascertained which territories can be handled most economically and possess a thorough knowledge of the consumer and Trade Conditions in such territories. In addition to this they are generally in possession of important

information as to the individual business and merchandising ability of each selling unit in that territory.

With this information in hand the producer can form an idea as to what the logical consumer-demand should be for his commodity in a given territory. He can then make an estimate as to what will be the extent of sales-resistance in that territory. With these hypotheses as a basis he is able to intelligently consider as to what will be the most effective means of overcoming that resistance.

On the other hand many producers undertake their selling campaigns without any consideration of these conditions. Their advertising is placed in mediums without any regard as to what territory it will have an effect upon. Their salesmen are simply sent out to sell goods.

When the sales policy is planned, the producer soon acquires a degree of personality which makes him the master and controlling element of his own business. When the sales policy is haphazard the producer is generally at the mercy of his salesmen as his business is dependent upon their personality.

The Sales Policy May Be Dependent or Independent

When the sales policy is planned to consider consumer-advertising as an essential element in obtaining distribution it is dependent, for its force, upon the interest or demand on the part of the consumer which it is expected will result from that advertising.

When the sales policy is planned to obtain distribution upon the basis of salesmanship or the merits of the commodity's merits or upon some form of stimulatory distribution methods, the sales policy is independent of consumer advertising.

Whether the Dependent form of sales policy is better than the Independent form, is a matter which has never been proven beyond question. It is stated by many men of ex-

perience that not more than 15 percent of the manufacturers in the United States employ advertising in their sales policies. Nevertheless as there are no statistics which indicate the ratio of the volume of business done by non-advertising producers, as against that of advertising producers, this fact is not such an important consideration as it might seem to be on first thought.

However, there are countless evidences of the fact that advertising producers can place a greater dependence in the reliability of their distribution and demand than can the non-advertising producer.

The Sales Policy May Be Progressive or Passive

The conventional method of marketing a product is to offer it for sale to the various selling units, comprising its regular trade channels, or to the consumer, at an established price. In such cases it is assumed that the demand for it will result from some one or more of its utility qualifications.

Such a sales policy might be termed a passive one because its action is confined to working along the lines of least resistance. It makes no effort to widen the scope of the commodity's utility, but simply seeks to satisfy the demand that exists.

On the other, hand there are producers whose sales policies are most progressive in their character because they employ active means for widening the scope of their commodity's utility.

The utility of a commodity is contingent upon the character of the service it performs as against the price that must be paid by the consumer to obtain that service. The price that a consumer will pay for a service depends upon the consumer's opinion as to the importance of that service. The consumer's opinion on this point is largely a matter of education.

If the consumer does not value a service, then that service is not an asset to the producer. It will not become an asset

until the consumer has been taught to consider that service as being an essential one to him.

A progressive sales policy may increase the scope of a commodity's utility in two ways:—By teaching the consumer to require the quality of service that a commodity renders, or by minimizing the consumer's opinion as to the difficulty (price) of obtaining that service.

For instance hair brushes, as a class of commodity, are considered to be useful only as hair arrangers. It has been found that a brush which will arrange the hair satisfactorily to the average person can be produced for fifty cents. One manufacturer has produced a hair brush that will not only arrange the hair satisfactorily, but owing to its special construction, it will remove dust from the hair and also stimulate the scalp.

These last two services are not generally expected or demanded of a hair brush. Therefore, the average consumer will not pay the higher price which this producer asks. On this account these two services will not be an asset to the producer until they are expected and demanded. Until this is accomplished the money invested in equipment to produce these undemanded services constitutes an unprofitable investment.

When bicycles were first put on the market, there was no question about the demand for their service. However, the price asked was higher than the average person could afford to invest at one time. To overcome this difficulty the producers arranged to sell them on the installment plan.

A combination of both ideas was put into effect by a typewriter producer. His sales policy taught the consumer to consider the value of the daily service that a typewriter would render. Then he showed how that service could be obtained at an investment of 17 cents a day, for a given period, after which the service could be enjoyed without the investment.

The Sales Policy May Be Original or Imitative

Some producers seem to lack originality of any kind and confine their operations to imitating the efforts of their competitors. This applies both in the productive and selling ends of their business.

Such firms endeavor to simulate the methods of their competitors in every possible respect. They make their product as close an imitation as they can, both as to construction and appearance. Their sales proposition is exactly the same as that of some competitor, or as nearly so as their carefully sought information enables it to be.

In one respect, however, these producers claim to have an advantage over competition. They claim to give the same quality and the same service at a lower price than that of their competitor. Usually these producers also claim to be "the original" and their competitors the imitators. These pirates of the mercantile world are the greatest and most effective causes of destructive competition.

The advertising man who finds himself wondering at and admiring the ability of a producer to produce goods apparently like those of some competitor, at a much lower price, should beware. He should remember that given quantities of given qualities generally cost approximately the same in one place as another, and unless the producer makes a legitimate profit, his selling expense will eat up his principal.

An imitator is a good thing for an advertising man to let alone. By helping such a producer, the advertising man is liable to cause trouble not only for himself but for the world of business in general.

The Sales Policy May Be Liberal or Extortionate

Many producers consider that because there is a demand for their commodity they are entitled to an excessive or unreasonable profit. If the commodity is a monopolistic one, and the service it renders is an essential one, the producer is generally

able to obtain an excessive profit. But even so, the scope of the commodity's utility is greatly curtailed and the selling cost consequently higher. These conditions frequently frustrate his purpose and his net profits are no greater than if his sales were greater and his profit per sale less.

When such a producer's commodity is not monopolistic and the demand is simply the result of selling efforts, some more reasonable producer is liable to undermine him at any time.

Whether the producer's method involves the extortion of this excessive profit from the consumer or the retailer, it is evident that the victim will resent it every time it is practised upon him.

This is especially so in cases where the retailer has to suffer. The retailer operates under an expense and he is entitled to a profit on all the merchandise he handles, which will allow him a reasonable profit to cover operating cost and something for himself. Any producer who does not allow the retailer an adequate profit is practically stimulating substitution.

One thing is quite certain, the producer who forces the retailer to perform a service for him, without just remuneration, is creating a dealer resistance that will materially increase his selling costs.

The Sales Policy May Be Stimulative or Subjective

The fact that a man has been ambitious enough to embark in business for himself is evidence that he has some self-respect. A retailer usually feels that he knows something about the goods he handles and takes a certain amount of pride in that knowledge.

Nevertheless many producers steadfastly ignore this condition and view the retailer as being simply a point at which his goods may be made accessible to the consumer. These producers have but two objects: to get the goods on the retailer's shelves and to send the consumer after them.

However, there are some producers who find that it pays to regard the retailer as a human being with some self-respect. These producers seek to stimulate that element in the retailer in such a manner as will cause him to feel that, by recommending the commodity in question, he is demonstrating in a practical manner that he is a specialist in his line whose judgment may be relied upon by his customers.

Such producers not only have the advantages of distribution and demand but they have the added benefit of the retailer's selling personality. In such cases the consumer's confidence is more thoroughly obtained and a consequent reduction is made in the producer's selling costs.

The Sales Policy May Be Educational or Automatic

When the producer considers the retailer merely as an outlet point or as a slot machine, the function of the retailer becomes more or less automatic and he is practically a dealer, so far as that particular commodity is concerned.

Many very successful producers have looked upon the retailer's selling personality as being of the greatest importance. Some go so far as to consider him as an integral part of their selling organization. These producers have undertaken an extensive campaign for the purpose of educating the retailer not only as to the utility of their commodity but as to the most effective methods that may be employed by him in selling it.

In other words, these producers have felt that if the retailer fully appreciated the utility of their commodities and understood how easily they might be sold, his resultant interest and natural inclination to work along lines of least resistance would cause him to push it to the best of his ability.

Under these circumstances the retailer's interest in the commodity would relieve the producer of need for strenuous selling effort upon the retailer. Whatever is saved in this

way amounts to a profit which can be invested for stimulating a further consumer demand.

This method, in effect, considers handling and educating the retailer in much the same manner as would be employed with a producer's own local store. However, in the latter case the store relies upon the producer for its existence while the average retailer is independent of the producer. On this account he is not so likely to appreciate and study up the proposition as would the manager of a producer's branch store.

To consider the retailer in this light requires a large amount of confidence on the part of the producer, both as to the utility of his commodity and his ability to impress it upon the retailer.

The Sales Policy May Be Assertative or Demonstrative

The longer a producer has been in business the greater is his tendency to rely upon his reputation. Some producers go so far as to feel that any selling effort, aside from statements as to the utility of their commodity, is beneath their dignity.

Other producers consider that the consumer is entitled to have an opportunity to learn the utility of the commodity without any personal risk. These producers employ either demonstrative methods, in the form of samples, or other confidence winning plans which enable the consumer to assure himself without taking any risk.

While there may be isolated cases where such methods would be impractical, yet in most cases they can be employed successfully if planned with proper ingenuity. Probably the simplest form, where samples cannot be employed, is the guarantee of "money back if not satisfactory." It may seem as though a considerable expense would result in transportation charges and damaged merchandise, in cases of the goods being returned. However, experience has proven that, in cases of meritorious commodities the losses on these points were not worth considering, in the light of the profits on the increased sales.

There are countless producers who will testify that samples are the most effective sales efforts they can employ. While the cost of sampling may prohibit its extensive use, yet where used, the results are intensive.

The Sales Policy May Be Restrictive or Unrestrictive

Several years ago, a producer of an imitation silk decided to advertise. His sales policy would not permit of his goods being sold by the mill to anyone excepting jobbers of specified rating who had to purchase in case lots. Under no circumstances would goods be shipped to retailer nor sold to the consumer.

In spite of this, the nature of the commodity and the conditions under which it was to be merchandised required that the producer interest the consumer personally and stimulate that interest to the point of purchase. All this in the face of the fact that the commodity had no distribution.

When the consumer answered the ad she gave her retailer's name. She was told to go to him and insist on his handling the goods. The producer also wrote to this retailer and urged him to stock. If the retailer was interested by all this, he would order enough to fill this consumer's wants from his jobber. In nine chances out of ten the jobber did not carry the goods and when he found it necessary to buy a whole case, in order to fill an order for a few yards, he generally wrote the retailer that he was unable to fill the order. Notwithstanding this the commodity succeeded eventually but considerable selling effort was wasted at the beginning.

Like this producer, there are many others who employ such a restrictive sales policy as to almost preclude the possibility of success. On the other hand there are many producers who will sell to anyone, anywhere, regardless of the effect it may produce.

The Selling Policy May Be Definite or Indefinite

When a producer has a fixed schedule of prices at which his commodity is to be sold to the jobber, the retailer and the consumer, his sales policy is considered a definite one. When he will accept orders at one price from one retailer and at a different price from another his sales policy is indefinite.

A definite sales policy is most satisfactory to all concerned because of its tendency toward stability. Under such conditions each competing concern handling the commodity knows that so far as it is concerned they are all on an equal basis and the success of their selling efforts will depend upon the quality and quantity of these selling efforts.

The Sales Policy May Be Permanent or Changeable

When a producer has established a sales policy it is generally a dangerous matter to make changes or variations in that policy without first giving it the most careful consideration. If the jobber, the retailer or the consumer purchases a commodity under the assumption that certain conditions will prevail in regard to it, and those conditions are subsequently changed, the purchaser is liable to consider the new conditions more advantageous, and that he had not received a fair deal.

However, there are many cases where a change in sales policy is not only warranted but taken as a matter of course. No consumer of articles affected by changes in style expects that people who purchase late in the season will pay as high prices as those who purchase early in the season.

Some time ago, the manager of a realty development made a change in sales policy which caused them considerable trouble. They had sold all their lots excepting a small number and were anxious to get rid of them at once and be relieved of maintaining a sales department. So they advertised a clean-up sale at 50 percent reduction to quick purchasers. They sold

the lots readily enough but the trouble came when the old purchasers came back and demanded a 50 percent rebate on what they had paid for lots.

Question Review

1. What is a sales policy?
2. What is a planned sales policy?
3. What is a haphazard sales policy?
4. What is an independent sales policy?
5. What is a dependent sales policy?
6. What is a progressive sales policy?
7. What is a passive sales policy?
8. What is an original sales policy?
9. What is an imitative sales policy?
10. What is a liberal sales policy?
11. What is an extortionate sales policy?
12. What is a stimulative sales policy?
13. What is a subjective sales policy?
14. What is an educational sales policy?
15. What is an automatic sales policy?
16. What is an assertative sales policy?
17. What is a demonstrative sales policy?
18. What is a restrictive sales policy?
19. What is an unrestrictive sales policy?
20. What is a definite sales policy?
21. What is an indefinite sales policy?
22. What is a permanent sales policy?
23. What is a changeable sales policy?

CHAPTER VI

SELLING ORGANIZATION

The methods which the producer employs in the endeavor to obtain or stimulate distribution and demand constitute his selling efforts.

When the selling efforts are of an impersonal character, they are designated as advertising. When they are of a personal character they are designated as salesmanship.

The persons employed by the producer to put these selling efforts into effect constitute his Selling Organization.

The individuals handling the advertising comprise the advertising department, while those engaged in the salesmanship comprise the sales-department.

A Selling Organization may consist of an Advertising Department, a Sales-Department or both.

The Departments of a Selling Organization May Be Co-Ordinative or Sub-Ordinative

When the selling organization includes both the advertising and a sales-department, it will generally be observed that one of these departments dominates the other. In other cases it will be found that both departments occupy positions of equal importance.

There has been considerable discussion as to whether one department should govern the other or whether both should be on an equal basis. Where it is considered that one should dominate, there arises a further discussion as to which department should enjoy supremacy over the other.

When the advertising department dominates or co-ordinates with the sales-department, the advertising man has fullest

opportunity for efficiency. When this condition does not exist, the advertising man will have little opportunity because for best results his work, being more or less impersonal in character, requires stimulating rather than suppression.

Whichever case prevails, depends as a rule upon two things: first, the kind of sales efforts first employed by the producer. Second, the character and ability of the men at the head of each department. If salesmanship constituted the selling efforts upon which the business has been built up, the producer is not likely to consider anything which will disturb present selling conditions. Therefore, if the plans of a subsequently added advertising department meet with opposition from the sales department, the producer is quite apt to consider the danger of discord, in his result-producing sales department, as being more important than the possible results of an unknown plan.

The same condition will prevail when the plan of a subsequently added sales department is opposed by the previously successful advertising department. However, in either case, much depends upon the ability of either advocate to present his proposition in a logical and convincing manner. This ability will depend upon the advocate's knowledge of the commodity and the conditions under which it is or may be sold.

As a matter of fact, it will be found that the sales department dominates the advertising department in the large majority of instances. This is because the application of advertising, to regularly merchandised commodities, is practically a recent development. Most successful businesses of today created distribution and demand by salesmanship. This is the only form of selling efforts which is thoroughly understood by such producers. Being too occupied with meeting existing requirements, they have neither the time nor the inclination to spend the time or money required for acquiring a practical education in advertising sales efforts. Not understanding or appreciating the possibilities of this method they are quite apt to

discount it. The degree of this attitude is in the ratio of the success achieved without advertising.

This condition will be found to be stronger in cases where a producer, who, while lacking a practical knowledge of advertising, has tried it unsuccessfully. Seeing that some competitor has profited by it he has made an appropriation but turned its expenditure over to some person not thoroughly acquainted with the proposition. The failure of the experiment stimulates the producer's belief that while advertising may pay others it can not be applied successfully to his business.

As advertising is an intensive sales process, it will be found that as time progresses the advertising department will dominate the sales department. This domination will not be an arbitrary one, however. The sales department will subordinate itself to the advertising department just as one power always subordinates itself to a greater power. This will be because the advertising department can accomplish in a week that which the sales department is unable to accomplish in a year. This condition will occur when the advertising man knows his business.

The Departments of a Selling Organization May Coöperate with or Work Independently of Each Other

Whether the departments of a selling organization coördinate or not, it will generally be found that they do not coöperate with each other as they should. This condition is unfortunate because it always results in waste for the producer. The highest degree of selling efficiency is only achieved when both departments coöperate to the fullest possible extent.

The failure of the selling departments to coöperate with each other is traceable to one of two causes: ignorance of methods or inharmony between the heads of the various departments of the organization.

The former cause generally occurs when neither of the department heads have had previous experience in the other form

of selling effort. Each has been accustomed to producing results in his own way. On this account he may either fail to appreciate the importance of coöperating with the other department or else he does not understand how such coöperation may be accomplished.

When the lack of coöperation is caused by inharmony between the department heads, the proprietor is made to suffer because one or both of them considers his estimate of his own importance of more consequence than his employer's interests. When viewed from a disinterested standpoint it seems incredible. Nevertheless, it is too often the case that the progress of a business is seriously handicapped because some self-centered department head considers that his is the only way. The unfortunate part of the matter is that the proprietor's ignorance of selling methods makes it impossible for him to understand that such a condition exists, or if he does realize it he fails to appreciate the gravity of the situation.

There is another cause for lack of coöperation between selling departments. This occurs when the proprietor himself possesses a natural tendency not to let his right hand know what his left hand is doing. In such cases the proprietor opposes one department against the other with the result that he sets each one to tearing apart the work of the other. In such cases the proprietor deserves all the loss he suffers.

The proprietor, the sales manager and the advertising manager should realize that only the highest selling efficiency is possible when *all* selling efforts are coöperative. This means simply that both selling departments should always attempt to accomplish the same result, in the same territory and at the same time in a harmonious manner. Unless this is the case there is bound to be a waste of selling effort because the selling force will be radiated instead of concentrated.

It is evident that if the sales department is working in one territory and the advertising department in another, the work

of each will not be so productive as if both were working in the same territory. The same effect will result if the advertising department is working on a national scale and the sales department confines its operations to certain sections.

It would, generally speaking, be far more economical if the operations of the advertising department were restricted to the same territory that the sales department is working and that the operations of both were extended only when it could be done simultaneously.

A person buys a commodity because he wants it. Before he wants it he must appreciate its utility. This requires that varying degrees of educational work be directed toward him. Advertising will accomplish this purpose in the most economical way. Salesmanship takes the order. Advertising is impersonal—general. Salesmanship is personal—definite.

The Departments of a Selling Organization May Be Systematic or Unsystematic

In order that the selling departments may coöperate to the best advantage their efforts should be planned so that each department works with the systematic regard for the efforts of the other. In order that this may be accomplished it is essential that each department be systematized in a thoroughly efficient manner.

In some selling organizations there is a surfeit of system which retards progress rather than assists it. In others there is such a lack of system that practically all sales work is based upon chance or guesswork.

In the first case the mental and physical effort of the individuals are so occupied with meeting the requirements of the system that they cannot devote the required energy toward actual selling efforts. In the latter case much time and effort is wasted in accomplishing the unnecessary work which systematic planning would eliminate.

Either condition may prevail in one or both selling departments. The degree to which it does, depends largely upon the knowledge of the proprietor and of the department heads.

In both departments there should be "planners" and "doers." As a rule, the man who is doing any one part of a thing is so close to his work that he is unable to retain a comprehensive perspective of the entire proposition. As a result of this he is apt to be one-sided. Nevertheless, this tendency to specialization is an essential element in a successful worker. If the individual attempts to cover both phases of the situation, one or the other generally lacks thoroughness.

The "planners" of both departments should have a knowledge of the conditions under which the commodity is or may be sold. They should also have a means of recording facts in a convenient form so that these records will supplement their own knowledge. The "doers" of both departments should have a knowledge of the proper selling methods by which the commodity is or may be sold. They should also have some sort of guide which will act as a reminder as to when and where these methods may be employed to the best advantage.

What should constitute the knowledge, records and guides necessary for each department will depend largely upon the character of the business they are engaged in. This can only be determined by a practical, scientific analysis of the requirements of the situation. These requirements will vary with every business. They will differ greatly in two propositions of the same kind. This is because while two commodities may seem to be the same, in each will be found many points of differentiation which can be traced back to the individuality of the producer.

The proprietor is quite apt to overlook or discount the importance of this point, his judgment being biased because it involves what seems to him an unproductive expense.

The Selling Departments May Construe or Misconstrue the Salability of a Commodity

Any meritorious commodity and generally most mediocre commodities can be merchandised if the proper methods are employed. Yet it is a frequent occurrence to hear a producer state that people "won't buy" some one or more of his products. Others are just as positive in an opposite opinion. In short, it is almost habitual with some producers, sales managers and advertising men to assume a knowledge of the mental attitude of their possible trade. While this assumption may be a purely arbitrary situation they have created, yet it constitutes the basis of their selling efforts. Whatever the sales efforts employed they are made to conform to the requirements deduced from this assumption. These people regard with glassy-eyed disapproval any one who questions the validity of their working hypothesis.

It very often happens that such assumptions are partially or entirely wrong. As a result the sales efforts are under an additional burden of succeeding in spite of having to meet the requirements of situations that do not exist.

Recently many of the suburban New York realty developments have observed an apparent falling off in demand for real estate. One such development recently reached the conclusion that people could not be induced to buy high class real estate at this time. A trip through the suburbs, however, showed thousands of new homes in course of construction. Investigation brought to light the fact that the active realty men had adopted what in reality constituted a sales plan although few of them called it by that name. Previously the method had been to sell lots and let the purchaser do his own building. By this method it required a series of payments covering a period of two or three years before the purchaser could derive any benefit from his investment. After this he had to go through the ordeal of financing and building a home. At best this seemed like a big and interminable task. When the gen-

eral financial stringency added the element of uncertainty to this, the interest in real estate waned perceptibly.

The selling plan that produced results enabled the prospect to derive a benefit from his investment almost from the start. The basis of the plan was to get the prospect to indicate the character of home he would like. Then an architect would make plans of it. Next the realty firm would offer to sell the prospect a lot and also to erect the house on it. In return the prospect was to pay a small sum down and make monthly payment equal to the rent he was paying. Part of these monthly payments were to cover interest and taxes, the balance was to apply on the principal.

This simplified the whole situation and changed it from an indefinite to a definite proposition. Even though the necessity for economy was still present, the benefits of immediate possession and enjoyment were sufficient compensation.

So long as the realty company assumed that people would not buy real estate they were not making expenses. As soon as they investigated the situation and placed themselves in possession of FACTS—their business was profitable.

There are as many ways in which the salability of a commodity may be misconstrued as there are commodities—probably more. The producer, advertising manager or sales manager who bases his selling efforts upon mere assumptions is likely to cause himself much unnecessary work and expense.

The Departments of a Selling Organization May Be Efficient or Inefficient

While all the points discussed in this chapter have an important bearing upon the efficiency or inefficiency of a selling department, yet they are all contingent upon the character and ability of the persons comprising both departments. In addition, it will depend largely upon whether or not each person

is engaged in doing that part of the work for which he is best adapted.

Because a man has been a successful advertising manager or sales manager for one concern is not conclusive proof that he will be equally successful with another commodity, whether different or similar. Neither should a man's ability be questioned solely because he has had no previous experiences with a similar commodity.

In many advertising departments will be found men writing copy who are better fitted for salesmanship and vice versa. In the sales departments of many high grade producers will be found salesmen who are more naturally fitted to be peddlers. Some men are merely order takers while others possess the real art of salesmanship, yet the order takers are expected to accomplish salesmanship.

Wherever such inconsistencies of employment occur there is bound to be not only inefficiency but friction. Both of these are foes to progress and no one is to blame but the proprietor. This condition will continue to exist until the average proprietor reaches a realization of the importance of knowing every part of his business thoroughly and of employing only such persons as are best fitted, temperamentally and otherwise, to perform the duties expected of them.

The old adage, "a chain is as weak as its weakest link," applies very aptly to a selling organization. The unfortunate part of the matter is that most of the costly errors of omission or commission are never known nor the probable losses resulting therefrom appreciated.

While some persons are inherently lazy, either mentally or physically, most people enjoy work. This is because activity is life and inertia death. The degree to which a person will work, either physically or mentally, depends upon the kind of work expected of him. This work expectation is a stimulus. If it is a pleasing stimulus the person responds readily. If it is an un-

pleasant stimulus the response is forced at the expense of "will effort." Permitting employees to do the work they naturally respond to reduces inefficiency and friction. This prevents waste.

Question Review

1. What are selling efforts?
2. What are personal selling efforts?
3. What are impersonal selling efforts?
4. What constitutes a selling organization?
5. What may a selling organization be composed of?
6. What is a coördinative selling organization?
7. What is a subordinative selling organization?
8. What is a coöperative selling organization?
9. What is an independent selling organization?
10. What is a systematic selling organization?
11. What is an unsystematic selling organization?
12. When is the salability of a commodity construed?
13. When is the salability of a commodity misconstrued?
14. What is an efficient selling organization?
15. What is an inefficient selling organization?

PART TWO

At the beginning of Section 2 of this work it was stated that "Merchandising conditions are considered under two headings—Trade Conditions and Consumer Conditions." Six chapters have been devoted to a condensed discussion of Trade Conditions. The balance of Section 2 will be devoted to a similarly condensed discussion of Consumer Conditions.



CONSUMER CONDITIONS

Consumer conditions refer to those causes which produce or fail to produce a community of wants for a commodity. These causes have their origin in the consumer, individually and collectively.

Individual consumer conditions are the result of physiological, economical and psychological causes. While elemental, they are essential. They are the pennies that make the dollars. Collective consumer conditions are the sum of individual consumer conditions in a given direction and are responsible for demand or lack of it.

Consumer conditions are ever changing. They can be moulded or anticipated. Therein lies the art of advertising. The advertising practitioner who constructs and applies his advertising upon the basis of existing demand alone is like the untrained athlete who spends all his energy in "keeping up" with his competitors.

The purpose of advertising is to create an impression regarding a commodity, which will produce an expression in the form of a purchase. All impressions must be made through one of the five physical sense organs.

Physiology explains to us the operations of the human sense organs and the scope of those operations. This knowledge enables us to determine as to which sense organ an appeal may be made most effectively. It gives us the basis for human physical wants.

Economics informs us that all human activities are the result of wants. To satisfy the requirements of the inner man,

for sustenance, and the outer man, for protection against the elements, were the chief aims of primitive man. As man becomes more civilized his wants increase. His mental development increases the scope of his wants.

Economics deals with man's wants without special reference to the causes which are responsible for them.

Psychology teaches us that wants are to a great extent the result of the individual state of mind. This state of mind may result from physical or economic cause plus some inherent condition on the part of the individual.

Economic and physical conditions produce types. A number of the same types constitute a class. Each class has a range of wants which are more or less peculiar to itself.

Psychology also teaches us that the repeated satisfaction of these wants results in habits and that a habit which is universal becomes a custom. Eventually a custom may become an instinct.

It is demonstrated that this "state of mind," either individually or collectively, is subject to influence. When Mark Anthony began Caesar's burial oration the people wanted Brutus proclaimed. When the oration was finished they wanted his life. It was simply a collective change from one state of mind to another.

To summarize—Physiology shows us that sensations are the origin of wants; Economics tells us that wants are the basis of activities, and Psychology informs us that pleasure or gratification of wants is the object of all mental operations.

In considering consumer conditions specifically, we will first discuss it in its collective form generally known as demand.

CHAPTER I

DEMAND

Demand is the result of a collective state of mind. It is contingent upon the real or assumed utility of a commodity as compared to its price. As the state of mind fluctuates so does demand fluctuate. A change in demand may be accomplished by an altered belief or understanding as to its utility. It may also be changed by an increase or decrease in price.

The study of demand is practically a matter of economic and social psychology. The character of demand is constantly being modified by economic and social conditions. The advertising man must continually bear in mind the social and economic aspects of a community of wants for a commodity as well as the utility and price of the commodity designed to fulfil that particular requirement.

The extent of existing or possible demand once ascertained, the selling and advertising problems resolve themselves to matters of ways and means.

Demand May Be Specific or General in Character

There are certain wants that are more or less universal in character. There are others that are incident to certain types or classes of people. However, it is seldom that any one commodity will give the fullest degree of satisfaction to all of the individual members of the community manifesting that want. Certain persons will require some individual elements of satisfaction not desired by others.

People in all civilized countries wear shoes. Therefore, there is a want for shoes as a class of commodity. The demand

for them is a general one. Some people prefer shoes made by a specific manufacturer because they consider that his product meets their particular requirements in a way that no other will. This constitutes specific demand.

General demand is more readily created than is specific demand. This is because the consumer first considers the utility, to him, of the commodity as a class or in a general way. When the commodity being advertised is a novelty, a luxury or the advertising pioneer in some staple or necessity class, the advertising man has a difficult problem to prevent his advertising from educating the consumer to use some competitive product. A study of magazine pages will also indicate that many advertisers, who have to contend with strong competitive advertising, either fail to appreciate or neglect to provide for this condition.

Many producers of unadvertised products realize this, and are quick to profit by some other firm's advertising. A clever sales manager may learn that some competitor has planned an extensive advertising campaign. Immediately he instructs his salesmen to load the dealer up to the fullest possible extent. When the salesmen for the advertised brand get around to the retailer, they find him already overstocked with the unadvertised brand. The retailer's money being tied up he doesn't want to lay in another line, or at best will stock but a small quantity.

When the advertising becomes effective the consumers call for the goods and the retailer, being anxious to realize on his investment in the unadvertised brand, uses all his powers of salesmanship to induce the consumers to take a substitute for the advertised article.

There are numberless instances where a specific demand has been changed to a general state under such conditions. This is because the personal reputation of the retailer can frequently be employed effectively to offset the manufacturer's impersonal reputation created by the advertising.

Specific Demand May Be Incidental or Fixed

The word demand has unfortunately been the subject of more or less "loose talk" on the part of the advertising man. In a general sense demand denotes desire. A belief that a commodity will fill a want in a way that warrants the cost, would probably constitute demand in cases where there was no competition and the commodity was accessible. However, both of these elements have a tendency to overcome desire. Competition makes a certain amount of mental effort necessary to conclude as to which brand of commodity will fill the want in the most satisfactory manner. The time and mental effort sacrifice added to the cash sacrifice may overbalance the consumer's opinion of the commodity's utility to him. If the commodity is inaccessible, the time and physical effort added to the cash sacrifice may have the same effect.

Therefore, in the ordinary language of the merchandising world, demand means an effective desire—a desire which will produce an effect which is noticeable to the dealer.

Advertising creates a reputation for a commodity in the minds of the reader. This reputation is incident to the statements contained in the advertisement. If the statements convey an adequate impression of the commodity's utility, they will create desire and the consumer may seek the commodity but this does not constitute demand. However, if the statements are sufficiently strong and convincing the consumer *may* demand the commodity.

Even if the first call for a commodity actually constitutes an effective demand it is only an incidental specific demand. There is as yet no evidence that the consumer will continue to demand this specific brand. If, however, the commodity meets the consumer's expectations and gives real satisfaction to the exclusion of competitive claims, it has established a reputation of its own and then only can the demand be considered as a fixed specific demand.

The tendency of the advertising man to state that some untried advertising is going to create a demand which the retailer cannot afford to ignore and the frequent failure of the advertising to produce the prophesied result have caused the retailer to regard manufacturers' claims with more or less skepticism. This is unfortunate because retailer confidence is the first essential to securing retailer coöperation. The retailer cannot be blamed for thinking that a producer who will make misrepresentations as to the value of his advertising will do the same regarding the quality of his products.

Demand May Be Natural or Creative

When a commodity is produced which applies an old principle in a new way or a new principle in an old way, it may meet the requirements of an existing community of wants or it may fulfil a requirement not yet demanded. This will depend upon whether or not the economic or social conditions to which the commodity is applicable have advanced faster than inventive genius. If conditions are in advance of the commodity, its sale is a simple matter. If the commodity is in advance of conditions its sale will be retarded until conditions have developed to a point where its utility is appreciated.

If the want already exists the demand is natural. If it does not exist it can be created, provided the utility of the commodity is based upon some one or more fundamentally correct principles. This requires an educational form of advertising and is naturally an expensive process. Whether it is justifiable or not depends upon the probable extent of the commodity's utility; the degree to which the producer can control the production of that particular class of commodity, and the state of perfection reached in his specific product.

If a commodity meets all these requirements in a satisfactory way the application of advertising to it can legiti-

mately produce an effect that would seem improbable outside of a fairy tale. This is because the utility of a commodity is generally in the ratio to the universality of its usage. The telephone and the telegraph for instance are an absolute business necessity. Yet for some years after their introduction they possessed little commercial value because few people appreciated their utility or made use of them. On the other hand, the National Cash Register Company has, by advertising, created what is virtually a monopoly in a comparatively short period. A cash register is now practically a necessity because the merchant who does not have one labors under a distinct competitive disadvantage.

In considering a commodity's advertisability, the practitioner should weigh this point carefully because the character of the advertising must be distinctly different in either case. An advertisement designed to stimulate natural demand will not produce a response if that demand does not yet exist. This sounds very much like a platitude, but there are tombstones erected in the advertising graveyard which indicate that there have been many who have failed to fully appreciate this point.

Demand May Be Immediate or Cumulative

When there is a natural demand for a commodity it does not necessarily follow that such a demand will be an immediate one.

Conservativeness is an attribute of human nature. While the want for a commodity may exist and its utility be fully appreciated yet doubts may exist in the consumer's mind as to the producer's ability to construct an efficient commodity.

There is also a frequent disinclination to a change of methods. There may be other reasons why a consumer might hesitate in purchasing a new class or brand of commodity. Nevertheless it may happen that each new user resulting from the advertising will not only become a permanent user but,

by a sort of inductive process, produce other new and permanent users. This is what is known as cumulative demand. Frequently too much reliance is placed upon the possibilities of cumulative demand. The advertiser's selling effort (expense) is greater than the ratio of the cumulative demand and he has to give up for lack of funds.

The advertising practitioner, in ascertaining the status of a commodity, should determine whether the demand for it will be immediate or cumulative and to what degree it will operate in either way within a given period. By comparing his resultant profit expectations with his available selling funds he can determine the extent of the advertising appropriation.

Demand May Be Limited or Unlimited

While the demand for any class of commodity might be considered, broadly, as being limited, yet there are some for which the demand is small as compared to the demand for others.

Limited demand refers to such commodities as would naturally have a restricted usage. Unlimited demand refers to such commodities as would naturally have a more universal usage.

The more general the usage of a class of commodity the greater can be the logical expectations as to the probable demand for a specific brand of that class of commodity. However, this will be contingent upon the extent of the existing supply and the quality or efficiency of the service rendered by that supply.

When the demand for a class of commodity is so universal as to make it a necessity, it will usually be found that the supply already equals or even exceeds the demand. In such cases the advertising must be designed to divert demand, and the appeal will require quality, price or service for a basis. As a rule quality or service will constitute the most construc-

tive forms of appeal, as they stimulate improvement. There is a great temptation, however, to arrange matters so that price may be used as the basis of the appeal. This is easier because from force of custom the consumer can more readily make value comparisons on a price basis than in any other way. To the consumer quality and service are more or less abstract while price is concrete.

Creating a demand for a brand of commodity upon a price basis does not require the services of an advertising man. A successful quality or service argument, however, calls for real advertising ability and is an accomplishment which requires both a knowledge and experience that are not acquired over night.

When the demand for a class of commodity is limited there may be either an over-supply or an under-supply. In the first instance the advertising requirements are similar to those in cases of unlimited demand. In the second instance the requirements may be those of cumulative demand or creative demand.

Demand May Be Local or National

Some classes of commodities are demanded in every section of the country. The demand for others is the result of some purely local, provincial or climatic condition. Yet it frequently happens that a producer will consider that success in one locality indicates the possibility for a national success. However, there may be a recurrence of local conditions at various points, of sufficient frequency to constitute practically an unlimited demand.

There are many commodities that can only be made use of in large cities, such as gas appliances, while others could only be of value on farms, like agricultural implements. Notwithstanding there are enough farms and cities in the United States to produce an unlimited demand for many such commodities.

Demand May Be Periodic or Continuous

Some commodities possess a utility value every day in the year. Others can only be made use of at certain seasons. This is largely a matter of custom and may or may not be changed according to the importance of the governing custom.

Producers are frequently anxious to change periodic demand to continuous demand because such a change would enable them to arrange their production upon a much more economical basis. Under conditions of periodic demand they either must close up during the dull season, and suffer the inconveniences of a constantly changing force of employees, or else they must keep money tied up in stocks produced during the dull seasons.

Whether the attempt to change periodic demand to continuous demand is practical or not will depend much upon the frequency of existing buying periods and the extent to which the custom prevails. Unless the possibilities are very apparent, advertising out of season, merely for this purpose, is likely to be a losing proposition.

However, a producer sometimes advertises during dull seasons with a view to creating a state of mind which will demand his brand during the buying period. Whether or not this is advisable will be governed by the same conditions as are met in the attempt to induce cumulative demand.

Many producers acquire a false sense of security as soon as the demand for their commodity has become established. They seem to think that the production of a practical commodity, which meets competition on every basis, is all that is required for continuous success.

Demand May Be Stimulated or Discouraged

This very self-complaisance is the strongest advantage that can be given to a competitor. It is responsible for many sins of omission or commission which tend to discourage demand.

Just what are many of the causes of discouraged demand will be fully comprehended by the student or practitioner who has read and thoroughly understands the importance of the numerous points brought out in the six chapters of this work on trade conditions. Many more will be developed in the ensuing chapters on consumer conditions.

Discussing the matter broadly, the advertising practitioner should constantly bear in mind that any cessation of selling or service efforts will have a tendency to discourage demand in the ratio to which those efforts are inferior to competitive selling or service efforts.

Question Review

1. What are the six subjects of trade conditions?
2. What are consumer conditions?
3. What are collective consumer conditions?
4. What are individual consumer conditions?
5. What causes produce individual consumer conditions?
6. Wherein lies the art of advertising?
7. How are the impressions made?
8. What does physiology explain?
9. What does that give us?
10. Upon what does economics inform us?
11. How does economics deal with man's wants?
12. What does psychology teach us?
13. What is meant by "state of mind"?
14. What produces habits?
15. What produces customs?
16. What is demand?
17. What is the study of demand?
18. What is specific demand?
19. What is general demand?
20. What is incidental specific demand?
21. What is fixed specific demand?
22. What is natural demand?

23. What is creative demand?
24. What is immediate demand?
25. What is cumulative demand?
26. What is limited demand?
27. What is unlimited demand?
28. What is local demand?
29. What is natural demand?
30. What is periodic demand?
31. What is continuous demand?
32. What is stimulated demand?
33. What is encouraged demand?

CHAPTER II

PSYCHOLOGICAL CONDITIONS

To advocate the use of Psychology to the business man produces about the same effect as waving a red cloth in front of a bull. The suggestion stimulates mental activities which irritate him. As in the case of the bull, this irritation is the result of ignorance.

Iron will resist force—heat reduces it to a state of non-resistance. This is because force attacks the component atoms in combination. Heat attacks each particle individually. The human mind cannot be forced without creating resistance and loss. When the proper influences are directed intelligently at the individualities of the mind, resistance is reduced to a minimum.

Intelligent direction of influences requires a knowledge of the mental effects that various causes will produce. Psychology has by a wide range of deductions and experiments recorded the mental effects of innumerable causes. A study of these records will enable the advertising practitioner to make his work more nearly a conscious effort.

All Human Acts Are Conscious or Unconscious

While it may seem at first thought that a person is conscious of everything which he does, this is not always so. There are many cases where the individual becomes cognizant of an act after he has committed it, but this is not consciousness of such an act.

Strictly speaking, consciousness consists of a mental direction or governing of the act by the individual performing it. While there is no question that a knowledge of the principles under-

lying conscious acts is essential to the advertising man, few consider the importance of unconscious acts, yet the causing of an unconscious act is the first requirement of an advertisement.

Whenever a person exercises a faculty or series of faculties unconsciously it is because all his other faculties have been temporarily dominated or paralyzed, as it were. Unconscious acts can be classified under two heads, i.e., physical and mental. An unconscious physical act is a motion or succession of motions. An unconscious mental act is a cessation of both mental and physical activities and constitutes that prime element which the advertising man seeks, i.e., attention.

The human mind may be considered as a dynamic organism which will be active in the ratio to which it is supplied with power. Like a ball which is impelled in a given direction it will follow its course as long as the momentum lasts. If it meets with an obstacle, one of four things will happen. If the momentum is strong enough it may pass over the obstacle, rebound from it or be deflected. If the momentum is insufficient to produce one of these effects, it will stop. If at the time of meeting the obstacle a new impetus is given, it will be impelled in one of the three directions in the ratio to that impetus. So the mind will continue working along a given direction as long as the impetus lasts or until it meets an obstacle. Whether it passes over, rebounds from or is deflected from the obstacle depends upon the new impetus provided by the sensations resulting from the attention to that obstacle.

Thus it will be seen that an advertisement to be successful must meet two requirements. It must constitute an obstacle of sufficient strength to stop, temporarily, all mental activity and it must also provide an impetus which will stimulate mental activity in another or the same direction. Some advertising men who appreciate this make the mistake of overdoing the obstacle phases of their work. Their obstacles are

so magnetic and so impassable as to produce a rebound or a dead stop. This is especially true if the accompanying stimuli lack sufficient strength to stimulate mental activity.

A Conscious Act Is an Expression Resulting from a Mental Process

When the impetus accompanying the obstacle is of such a character as will stimulate a series of mental activities in the same or a different direction, it is possible that these activities may result in a conclusion which will be evidenced by an act. Such an act is a conscious one because it is controlled or directed.

It is also possible that this series of mental activities may result in a conclusion not to act. When this occurs it requires a greater stimulus to renew action in this direction than was required to constitute the original impetus. In the first case the impetus accelerated deflected momentum. In the second case the momentum must be created.

Anything that will induce mental activity is designated by the psychologist as a stimulus.

The Nature of a Mental Process Is Contingent Upon the Character of the Stimulus

There are three kinds of stimuli which can induce mental activity—voluntary, spontaneous and involuntary.

A voluntary stimulus is one which induces a greater mental activity in the same direction. If a person is considering the purchase of a pair of shoes, the need for them has constituted a stimulus and has caused a mental activity in this direction. This process has resulted in certain half-formed conclusions. In turning over the pages of a magazine he sees a shoe ad. He stops at once and attends to this ad. As he does this his present mental activity ceases temporarily until the stimulus therein embodied has received his consideration. If this stimulus harmonizes with his preconceived ideas, it stimulates a greater shoe purchase activity. If it differs but is convincing

it may deflect his purchase to the brand in question. If the stimulus is weak he passes over the ad (attention obstacle) without undergoing any mental activity as regards the particular brand in the ad.

A spontaneous stimulus is one which renews previous mental activities regarding something which was formerly desired but has been temporarily sidetracked, as it were, on account of more urgent needs in other directions. Such a stimulus is only effective in cases where previous mental activities have resulted in conclusions that were favorable or partially so. Its utility is therefore contingent upon the reliability of the assumption that previous advertising had produced favorable conclusions. It can only be employed with safety where a known demand exists and there is little or no competition. The scope of a spontaneous stimulus is limited to the stimulation of assumed previous conclusions. This eliminates the possibility of vesting it with dynamic elements which are essential.

An involuntary stimulus is one which induces a new form of mental activity, and results in creating a desire for something which was not previously considered essential. Such a stimulus must have sufficient strength to deflect mental activities from their present direction. This is the most difficult stimulus to construct, but when effectively done constitutes the strongest kind of stimulus. Generally speaking it will accomplish not only its own purpose but also those of the voluntary and spontaneous stimuli.

A Mental Process May Be Impulsive or Deliberative

Some people do most things quickly—without much thought. Their mental processes are impulsive. Others will consider nearly everything in a careful and thorough manner before concluding to act or not to act. Their mental processes are deliberative. With the majority of people, how-

ever, there are many things which they do impulsively and many others which they do deliberately.

The degree to which a mental process will be impulsive or deliberative depends upon the character of the individual's previous mental activities in that particular direction.

If my tailor endeavored to sell me a winter overcoat in July, I would not have had any previous mental activity in the direction of making such a purchase at that time. If he makes a great price reduction to induce the purchase, I will deliberate and consider such matters as whether I will need it, how I can keep it until I will need it, and finally if the saving effected will offset the pleasures I might enjoy from the use of the money between July and the winter.

On the other hand, I will go to him of my own accord in December and buy a coat, considering only that I get one which pleases me. The process would be purely impulsive. If, however, he does not have one which pleases me, but shows me some obvious advantages in a coat that I did not fancy, I would at once deliberate on whether I would not do better to take the one he recommends.

If I have never worn patent leather shoes, fearing that they will crack or draw my feet, my first purchase of patent leather shoes will occur only after considerable deliberation. The second pair will not require so much and with each successive purchase the deliberative process will be reduced until my expression finally becomes an impulsive process.

The Activity of a Mental Process Is Dependent Upon the Simplicity and Conclusiveness of the Impression

You can penetrate an object with a sharp pointed instrument more readily than with a dull pointed one. By the same token you can penetrate the mental recesses with a clearly defined stimulus easier than you can with a complex one. The more conclusive is this stimulus the greater will be the resultant activity.

However, a glance through the advertising pages of a magazine shows that the majority of advertising men have one main object: that is to make their ads a conglomerate mass of stimuli—generally weak ones at that—but even when they are strong, there are so many that they kill each other.

Carefully tabulated tests by psychologists indicate conclusively that the average human mind will attend to not more than from three to five stimuli relating to the same subject. The attention to any greater number requires mental exertion which is painful and causes a waning of interest. These experiments practically demonstrate that after attending to five stimuli he will reach a conclusion of acceptance or rejection. A greater number of stimuli produce confusion and uncertainty.

An Expression Is Contingent Upon the Individual's State of Mind

As no person can do two things at the same time, every act or expression is accomplished at the sacrifice of some other. Such a sacrifice may be a temporary or a permanent one. In some cases the sacrifice is purely an imaginary one, but the effect is the same.

For example, a person who buys something must sacrifice the money which it costs. Any sacrifice produces varying degrees of unpleasant sensations which are more or less mentally painful.

The degree to which the sacrifice will be painful depends upon the character of the pleasing impressions the individual has made regarding the contemplated act as against the impression or possible conclusions he may have regarding the value of the sacrifice.

This will be dependent upon the mental status of the individual. Generally speaking, there are three types of mentality, i.e., Ignorant, Intelligent and Academic. Each of these mentalities may require the same amount of impulsiveness or deliberativeness to arrive at vastly different conclusions. Ten

cents is just as big to some ignorant men as is \$10 to an intelligent man. While both may take about the same time to arrive at a conclusion as to the spending of these sums, there is a difference in the quality of their mental activity. This is because there is a difference between their powers of mental coördination. It may take the ignorant man ten times as long to arrive at a conclusion as it would an intelligent man. In some cases the ignorant man cannot carry the process to a conclusion at all. This is because his mind possesses less of the dynamic element than that of the intelligent man. That which acts as a stimulus to the intelligent man does not affect the ignorant one.

Therefore the advertising man has to consider carefully the existing state of mind of the class appealed to. He must also consider what are the possibilities for changing the existing state of mind. Generally speaking, the lower the intelligence appealed to the more impulsive must be the stimulus.

A Repetition of an Expression May Create a Habit

The fact that a person's state of mind has resulted in his doing a thing once is not evidence that he will repeat the act. Whether the act is repeated or not depends upon the correctness with which the individual has interpreted the stimuli. The correctness of this interpretation will depend upon two things, i.e., first: the quantity and quality of the previous impressions recorded by him upon the subject in question; second: his ability to coördinate or bring into the mental process all those impressions with due regard to their importance.

Unless his act is the result of a sufficient quantity of accurate impressions, he may discover, subsequent to committing the act, that the actual pleasure resulting from the act was not up to anticipations. Such a discovery will result in another consideration of the matter which may result in a refusal to repeat the act.

A person is required, in the course of his daily occupations, to consider and conclude upon a large number of widely different matters. Under existing conditions it is utterly impossible for any one human being to base all his acts upon exact knowledge. Therefore, many of his impressions will result from belief in the statements of others. If these statements are not in keeping with the facts, the pleasure in the act will not be up to expectations. This causes him to feel a degree of uncertainty in the statements of others. Therefore stimuli consisting of such statements will lack effectiveness. This is because his deliberations will not only involve a consideration of the pleasure resulting from the act, but also a consideration as to the quality or reliability of the stimuli. This added burden may offset the pleasure of contemplating the act. In other words, the double deliberative requirement may constitute an obstacle which the mental activity impetus cannot surmount.

If advertising men would only appreciate the importance of this tendency, they would be more careful as to the quality of the statements comprising the stimuli which they present to induce mental activity. Their misstatements, either ignorant or intentional, put a double mental burden upon their prospects. This produces waste.

If on the other hand an act produces an effect which equals the anticipation, the individual will have a tendency to repeat that act, rather than undergo the mental effort required to consider the advisability of another similar act. As an act is repeated from time to time, it becomes an essential part of the individual's life. In time he will repeat the act as the result of a purely impulsive process.

The degree to which this is so will depend largely upon the variation possible for such an expression, and the individual's ability to distinguish between the degrees of variation between the forms of such expressions.

For example, a man living in a small community may be in the habit of smoking a certain one of the few brands of cigars

sold by the only retailer there. The habit may be based upon the taste sensations, stimulated by that brand, or by the price. We will suppose that he moves to a larger community, where he has a wider range to select from. If his choice is the result of taste sensations, he will demand the brand that he has been accustomed to. If his choice is merely a matter of price, he will take almost any brand which meets that requirement.

A Habit May Be Incidental or Dominant

As soon as an act has been repeated a sufficient number of times and constitutes a habit, the individual's mental activities may be subject to being influenced by that habit. The degree to which this influence is apparent varies according to the nature of the habit and extent of its repetition.

Continuing to use the smoker as an illustration, it will be observed that smokers can be classed under two headings, i.e., those who smoke occasionally for the purpose of enjoying the sensation as a form of variation of their ordinary sensations and those who consider smoking to be essential to their happiness. In the first case the habit is incidental to an external stimulus. For instance, the smoker may be in the habit of smoking one cigar after each meal. In such a case the finishing of the meal suggests the act of smoking. But if the habit has reached the point where the desire is produced by the craving for a smoke, then the stimulus is internal and the habit a dominant one.

In this case the internal stimulus is of a purely physical character, resulting from a nervous agitation which is set up when the soothing effects of the last smoke have worn off. There are also cases where an internal stimulus is of a purely mental character. For example, a man who is in the habit of carrying his change in his right hand trousers pocket. Owing to a hole wearing through in that pocket, he transfers his change to his left hand pocket. Upon boarding a surface car he will, from force of habit, reach for his right pocket. Upon remembering the transfer he will change his act. In this case

the act of getting on the car started a series of mental activities which stimulated him to think of the necessary carfare. This mental stimulus suggested the habitual act of reaching for his right pocket.

These are essential matters for the consideration of the advertising man because the success of the stimuli he presents depends upon the influence of the habit. If smoking is an incidental habit, it may or may not be possible to induce the smoker to increase the repetition to a point where it becomes a dominant habit. On the other hand, if he is a good judge of tobacco and enjoys the smoke because of the sensations induced by that particular brand, it will be a difficult matter to influence him to satisfy the habit by smoking a different brand of cigar.

If the habit of smoking is a dominant one, then the individual will smoke almost anything so long as he can satisfy the craving. It will, therefore, be seen that it is much easier to change a dominant habit than an incidental one. The essential requirements of such a process would be to present stimuli that will establish a coördinate impression, between the new brand and the habit, in the smoker's mind. The bigger the impression and the closer it is made to relate to the habit, the more certain is the appeal to be successful.

Of course, it must be understood that the value of such a method will depend much upon what competitors are doing. If several advertisers are presenting appeals consisting of equally strong stimuli, they will naturally offset each other. This consideration will apply to all phases of psychological conditions.

All Habits Are Based Upon Some Instinct

Without endeavoring to consider why a man passes through this existence, it is apparent that some such cause exists. The physical requirement of the situation seems to be the providing of human bodies which will accommodate the spirits of the individuals working out their various purposes. To meet this

requirement, reproduction of species, seems to be the prime purpose of the individual. While there may be other purposes, this one will serve as a basis for our study.

As a result of this, self-preservation is the first law of nature. Consequent to this law, different branches of humanity have developed many traits which are peculiar to and resultant from the conditions under which each branch has existed. In the first stages, this law caused man to feed and protect himself against destructive elements. Next, perhaps, came the storing up of possessions which would assist in future protection. From this on, man has developed a whole string of characteristics including love, hate, fear, honesty, jealousy and many others, all of which are classified under the heading of instincts. These instincts have apparently been inherited by the present generation and have an influence upon the character of individual mental activities. One individual may be influenced by several instincts while another is the subject of a number of entirely different instinct influences.

In a statement accorded to Professor William J. Spillman of the Department of Agriculture, in connection with an article upon experiments in heredity made at the Carnegie Institute, at Cold Spring Harbor, New York, he says: "Every child born into the world receives from his parents 20 bundles (called chromosomes) of inheritance traits. These traits make up the whole child mentally and physically. Ten are contributed by the mother and ten by the father—normally. But the mother has 20 different kinds of such bundles—and there is no telling which ten of them she will bestow upon any particular child of hers. The same applies to the bundles contributed by the father. Each bundle is different and represents qualities physical and psychical of innumerable ancestors."

Whether this discovery is the true solution of the matter or not, there can be no question but that all human mental activities are influenced by instincts which have a very perceptible effect upon their habits.

The Universality of a Habit Establishes a Custom

When the mental activities of a large number of people are responsible for similar habits, the expression becomes a general one. People then assume that the act is a proper one and the general manifestation of the habit becomes an established custom.

However, customs are not specific as to the expressed detail of the act. For instance, it is a general custom for men to wear underwear. Some men, however, prefer flannel, while others favor different materials. In the first case the wearing of underwear is the custom, but the *kind* of underwear is the habit of the individual. Perhaps the underwear *habit* will manifest itself in the purchase of such garments purely on a basis of the apparent quality of the material or it may go still further and demand a specific brand of underwear. The same applies to any class of commodity.

The important point to be considered in this connection is that custom will establish demand for a class of commodity while habit, or individual manifestation, will establish demand for a brand of commodity.

A custom is easier to stimulate than is a habit. This is because a number of persons thinking along the same lines will be more effective than one mind would be. The fact that the stimulation is designed to produce greater activity upon a point, in the same direction, gives the new impetus the full value of the existing momentum.

Contrarily, it is more difficult to change a custom than it is to change a habit. The reason for this could be discussed at great length, but it is chiefly due to the fact that any deliberations regarding the change would not only involve a consideration of the utility of the commodity itself but of what attitude the community would affect toward the individual performing the act in an uncustomary manner.

Customs can be changed, however, and with seemingly little effort at that. Up to a few years ago it was the custom for

men to wear ankle length underwear. In spite of this, manufacturers of knee drawers changed the custom almost completely, by extensive advertising.

In considering the character of the appeal to be employed in advertising a great deal will depend upon whether it is the purpose to change or stimulate either a custom or a habit. Another point to be borne in mind is whether the class appealed to will respond, to better advantage, to an impulsive or a deliberative stimulus, under the circumstances.

An Effective Stimulus Has Its Base in the Instinct Responsible for the Habit or Custom to Be Stimulated or Changed

The purchase of a commodity is a physical expression of a mental process. It can, therefore, never be an unconscious process. Nevertheless, the mental process resulting in that purchase can result from an unconscious physical process. This apparent paradox can be appreciated fully only by those who have followed the psychologist through his experimental and deductive processes. Notwithstanding, a full appreciation of this proposition is highly important to the advertising practitioner who desires to make his preparation of copy a conscious process.

Every stimulus which is recorded by a physical sense organ produces two kinds of response. One is purely nervous in character and its registration constitutes a sensation. The other is mental and constitutes an impression. You draw closer to stimuli which produce pleasant sensations and impressions while you back away from those which are unpleasant.

In some people stimuli produce more sensation response than impression response. In others the opposite is the case. The former condition prevails with the majority of humanity. This is because the physical organism of the individual responds more readily to physical stimuli than does the mental organism.

When an unconscious physical act is expressed, the effect is communicated to the mental area and a conscious mental process is stimulated. For instance, if I set before you a well executed picture of a delectable dish, your mental activities cease for the instant while you attend to it. The first effect of the stimuli is to set in motion an unconscious flow of saliva. This process is communicated to the mental area and stimulates a mental process which results in a desire for such food.

Therefore, the more effective the stimuli are, in producing unconscious physical action of any kind, the more impulsive will be the conscious mental action. As man acted instinctively when he possessed but a small degree of mentality, his acts were mostly unconscious. As he gained in experience, resulting from such acts, he gained a consciousness of his acts. The character of the stimuli which produced instinctive acts in those days is about the same today, the difference being merely a matter of a change in appearance.

Such a stimulus constitutes an involuntary stimulus of the strongest kind.

Question Review

1. What is a conscious act?
2. How many kinds of conscious acts are there?
3. What is an unconscious act?
4. How many kinds of unconscious acts are there?
5. What does an unconscious act constitute?
6. Upon what is the nature of a mental process contingent?
7. What two forms of mental processes are there?
8. Upon what is the activity of a mental process dependent?
9. Upon what is an expression contingent?
10. What are the three types of mentality?
11. What may repetition of an expression create?
12. What is an incidental habit?
13. What is a dominant habit?

14. Upon what are habits based?
15. What is a custom?
16. In what does an effective stimulus have its base?
17. What two kinds of response are produced by stimuli?
18. What is the registration of physical stimuli?
19. What is the registration of mental stimuli?

CHAPTER III

PSYCHOLOGICAL CONDITIONS (*Continued*)

An Initial Expression May Be Impulsive or Deliberative

The first time a person does a particular thing in a specific manner constitutes his initial expression in that direction. It is the first evidence of the effectiveness of the stimuli. Such an initial expression may be the result of either an impulsive or a deliberative mental process.

A decision as to which form of initial expression is desirable to produce by means of an advertisement depends upon the utility of the commodity being advertised. The purpose of the advertisement is to create a habit. The question, therefore, resolves itself into a consideration of which form of stimuli will produce the greatest percentage of habit establishing initial responses among the class appealed to.

Generally speaking, a deliberative initial response is more likely to result in a habit that is an impulsive initial response. This is because such a response is the result of a conscious mental process. The advantages and disadvantages of such a response have been carefully weighed by the reader and a favorable decision has been reached.

However, it frequently occurs that the utility of a commodity meets the requirement of an urgent need, as in the case of illness. In such cases the desire for the commodity may be created by purely impulsive appeal.

Most people will deliberate for some time before deciding to purchase an automobile. After one or two narrow escapes from skidding on the ice, it does not require much argument

to induce such owners to buy non-skid chains or some device designed for that purpose.

In cases where the commodity does not differ materially from other commodities designed to satisfy the same want, an impulsive appeal may be effective if repeated with sufficient frequency. This will depend to a great extent upon the mental development of the class appealed to.

A Custom May Result in New Habits

Habits and customs may be considered as more or less reciprocal. As we have seen, the universality of a habit establishes a custom. When a custom has become established there may be some minor or unessential variations in the mode of expression which will differ according to the mental state of the individual.

There was a time when the majority of men wore beards. This was the custom. Later on beards went out of fashion. Some men are in the habit of going to a barber, others shave themselves. Of those who shave themselves some are in the habit of using soap, some use a shaving cream and still others use a shaving powder.

For a long time people did their cooking on a coal range. This was the custom. Subsequently, some people acquired the habit of cooking upon a gas range. In time the number of gas range users became so large that it became customary. Among gas range users various ones are in the habit of employing different kinds of utensils. For instance, there are four or five makes of gas range toasters on the market. Many people do not use any of them. Some use one kind, while others use different kinds. If at some future time it is demonstrated that one make of toaster is superior to the others, then the use of that toaster will become the custom.

Should this custom become a widely established one, it will not require a very strong appeal to induce new toaster users to buy this particular make.

A Habit or a Custom May Be Constructive or Destructive

The establishment of a custom or habit, by advertising, does not always insure its permanency. Much will depend upon whether the use of the commodity is beneficial or detrimental to the welfare of the individual or community. If the habit or custom so established is detrimental it is a destructive one. As soon as the detrimental effect is fully appreciated, the habit or custom will be abolished. The instinct of self-preservation assures this.

Some years ago certain manufacturers of breakfast foods established a habit of eating their product, among many individuals. By the expenditure of large sums of money the habit was increased, in some cases, to a custom. In one or two cases, chemical analysis demonstrated the existence of poisonous matter. When the facts were made known the customs of eating those breakfast foods were quickly abolished.

The rapidity with which a destructive habit or custom will be abolished depends upon three things. 1st, the degree to which it is destructive; 2nd, the extent to which it dominates the individual; 3rd, the reliability of the knowledge possessed by the individual regarding it. There are some destructive habits which dominate the individual almost absolutely. In many instances the individual will suffer himself or herself to be eventually destroyed by the habit rather than make the effort to overcome it.

This tendency makes it the moral duty of every advertising practitioner to refuse his services to the producer of a destructive commodity. Some habits are so destructive that their detrimental effects manifest themselves quickly. In such cases the individual's fear may cause a cessation of the habit. In other cases, the detrimental effects are minute but cumulative. When this is so the habit is a subtle one and may even destroy the object it is designed to serve before the effects are realized.

A Stimulus May Be Substantial or Hypothetical

A substantial stimulus is one which conveys a definite impression by means of a physical sense organ. The significance of the impression is contingent upon three things: 1st, the degree of the sensation produced by the stimulus upon the sense organ affected; 2nd, the previous experience which the subject has had with similar stimuli; 3rd, the ability of the subject to coördinate, or remember at once, those previous experiences.

Thus color is a substantial stimulus because it stimulates a "sight" sensation. An odor is a substantial stimulus because it stimulates a "smell" sensation. Sound stimulates a "hearing" sensation. Solids stimulate a "feeling" sensation. Flavor stimulates a "taste" sensation.

It is essential that the distinction between sensation stimuli be fully understood. At first thought it might seem as though liquids could stimulate either a "sight" or a "taste" sensation. You might say that you could tell that a liquid was water by looking at it. As a matter of fact in such a case you will only guess that a liquid is water. The assumption will be based upon the fact that the color of the liquid in question is the same color that you have been accustomed to associating with water. You will not be really certain until you have tasted it.

However, it is a fact that many people have one or more of their sense organs undeveloped to such an extent that they will not be certain until the stimulus has met the requirements of both the direct and one or more associated sense impressions. This makes it possible for manufacturers to offer adulterations of various kinds as pure products. The consumer's previous experience with such stimuli is insufficient to enable him to be a judge in the matter.

A hypothetical stimulus is one which employs symbols to convey a contingent impression by means of a physical sense organ.

According to exhaustive researches by the great German Philologists, Paul and Schrader, we learn that the alphabet is only a succession of pictures which through centuries of evolutions have arrived at the forms with which we are familiar. These symbols for spoken sound and linked thoughts were born thousands of years ago. At that time they consisted of rude sketches scratched with a sharpened stone upon large bones, soft stone and cave walls. The studies of these scientists have made it possible to reconstruct the actual pictures which gave rise to our alphabet. It is considered probable that picture writing preceded language itself as it seems to be evident that before humanity communicated by words that were anything more than mere sound, they used combinations of drawings and gestures to convey thought.

The symbols of today are sometimes words or combinations of words which the individual has become accustomed to associate with certain tangible or intangible results. In other cases they consist of accurate or suggestive pictures of the substantial stimulus.

The contingency of the impression lies in whether the hypothetical stimulus is the result of an actual thing or condition, or whether it is a myth. The reproduction of an object in an advertisement, together with accompanying statements, is not of itself evidence that the consumer will get the same quality as depicted. A guarantee of satisfaction does not constitute satisfaction.

There are two reasons why an appreciation, by the advertising man, of the distinction between substantial and hypothetical stimuli is important. First, if the hypothesis is not correct, if the goods are not as represented, dissatisfaction will result. Also if color is used in the ad it must be remembered that color is of itself a substantial stimulus. If the color stimulates one form of mental activity, while the words and pictures stimulate another form, the composite impression will be a confused and possibly a negatized one.

Second, hypothetical stimuli can only suggest the utility of a commodity. They cannot actually demonstrate it. Therefore, hypothetical stimuli are not nearly so effective as substantial stimuli in the form of the commodity itself. When the two are in competition it is therefore obvious that the hypothetical stimuli be produced with the greatest care. A combination of the two forms of stimuli is usually more effective than either one alone.

Stimuli May Produce an Imaginative or Suggestive Mental Process

Discussions as to the requirements of advertising copy frequently contain references to imagination and suggestion. Many people confuse the two words while many others treat of them as being one and the same thing. This is unfortunate because they represent vastly different qualities.

When the stimuli comprising an advertisement stimulate an imaginative mental process, the chances are that the result will be entirely different than that desired.

Imagination has strong emotion as its actuating and formative cause. Milton's fiery lake, the debates of his Pandemonium, the exquisite scenes of his Paradise, were all products of his exceptionally vivid imagination.

The advertising man who plays upon the imagination of his prospects is liable to bump his head against a stone wall. The things expected as the result of an imaginative mental process are seldom realized in the physical sense. This results in dissatisfaction.

A suggestion on the other hand is designed to stimulate practical mental processes in a given direction. In other words, a suggestion is the basis of a series of logical mental activities. If the stimuli in an advertisement will induce the reader to think ten or a hundred times as much as is actually printed or pictured, then that stimuli not only holds the reader's attention upon the subject of the advertisement but prevents the stimuli in other advertisements from being effective.

There is no question but what an advertisement which stimulates a suggestive mental process is far superior to one which tells the story in a way which leaves nothing to be thought out. It is an ideal advertisement because the component stimuli are dynamic in character. Therefore, the advertiser not only gets from ten to one hundred times the value of the space, but he offsets the effectiveness of competitive appeals.

Every writer of advertising should strive to make his stimuli dynamic in point of suggestion. He should be equally careful that his stimuli should not produce an imaginative mental process. When such a process gets under full swing there is no telling where it will end.

Stimuli May Possess One or Both of Two Properties; i. e., Velocity and Force

The velocity of a stimulus is contingent upon the quantity of the mental activities produced within a given time. The force of a stimulus is contingent upon the quality or strength of the mental activities produced. There is a vast difference between the effect of these two properties—one which is seldom appreciated.

Some advertisements appear to be designed for the sole purpose of making the reader think. Just what those thoughts may be or what effect they will have upon the commodity advertised does not seem to have been considered. In preparing an advertisement it should be borne in mind that a rapid succession of mental activities will not of necessity influence the mind of the reader to the point of conclusion. If the succession of mental activities produced are too rapid they may fail to make an impression, or the mind of the prospect may become tired before a conclusion is reached.

Other ads are apparently designed to make the person act without preceding mental activities. Whether such stimuli will be effective or not depends upon the intelligence of the

prospect. Generally speaking people do not act without having previously reached some degree of conclusion. An attempt to induce them to do otherwise is liable to produce doubt or skepticism as to the commodity advertised. The effect of purely forceful stimuli is to dominate or control the mind of the prospect. The intelligent human mind is not readily dominated permanently. If this effect is accomplished it will not therefore be a lasting effect.

The ideal stimulus is that in which velocity and force are proportioned in a manner that best suits the requirements of the situation. Just how such a stimulus can be created or how its properties may be intelligently judged are not understood today. This does not mean that such a thing is impossible of accomplishment. It merely demonstrates the lack of essential knowledge upon the part of an advertising man. Values of any kind are merely comparative—they simply indicate that one thing is more desirable than another. If no comparisons were made there would be no knowledge of values in any phase of life. If advertising men would compare the value of the stimuli they employ, by means of laboratory or other tests, the value of various forms of stimuli could be established.

The Quality of Stimuli May Be Positive or Negative

In all phases of nature its activities are manifested chiefly in attractions and repulsions. Those things which attract are known as positive, while the things which repel are called negatives. In physics this manifestation is designated as polarity and deals with molecular motions. In physiology positives are those things which stimulate organic activities while negatives retard such activities. In the mental realm the psychologist refers to those things which produce pleasing sensations or impressions as positives while unpleasant stimuli constitute negatives. However, a pleasant sensation may not

of necessity be a constructive one. This will depend to a great extent upon development of the mind of the individual.

Certain forms of stimuli which are positives to some types of mind act in a negative upon others. If the commodity is designed to meet the requirements of a destructive desire, negative stimuli may produce the desired response. However, as advertising is a constructive force it should never be employed for a negative purpose. This statement is not made for the purpose of stimulating the advertising man to proficiency in the construction of destructive advertising. It is the necessary recognition of a fact which has been demonstrated by unscrupulous advertising men. Experience has proven that "torture" pictures, obscene suggestions and other forms of negative stimuli will produce response from ignorant people. This very fact should of itself convince the constructive advertiser that negative stimuli has no place in a legitimate advertisement.

Any right and healthy minded person will be repelled by any form of negative stimuli. The use of such stimuli simply impairs the utility or effectiveness of the advertisement in which it appears. The response to such an advertisement would be far greater if the negative stimuli were omitted. It is an unfortunate thing that many advertising men do not appreciate this. They labor under the delusion that because negative stimuli produce mental activities those activities will be favorable ones. Any advertiser whose advertising cannot be made to produce satisfactory response without the use of negative stimuli should not be permitted to advertise. Any advertising man who uses negative stimuli in the advertising of a constructive commodity is wasting money.

An Advertisement Should Contain Four Classes of Stimuli, i. e., Attention, Interest, Desire and Action Stimuli

There are many kinds of stimuli, but they are not all effective in producing a specific series of related mental activities.

With comparatively few exceptions, all kinds of stimuli can be classified under these four headings. The important point is that the advertising man employ the stimuli under each class that will be most effective in producing the desired form of mental activities. This he cannot do with any degree of conscious knowledge until the comparative value of all kinds of stimuli belonging to that class has been recorded. However, a knowledge of the requirements of each class of stimuli will be of assistance.

As stated in the previous article on psychological conditions, attention is a cessation of activities in the present direction. Newton's first law of motion states that "every body continues in a state of rest or of uniform motion in a straight line unless it is acted upon by some external force." If a given mental activity can be considered as a body, the parallel between mental and mechanical principles will be obvious. The first effect of the action of an external force upon uniform motion is to arrest or impede that motion by presenting an obstacle to the present direction. The effectiveness of the obstacles which arrest mental motion depend upon their emphasis. As these obstacles are first sensed by the eye, attention stimuli must constitute optic emphasis. These consist of contrasting sizes, shapes and colors. In the use of emphasis it should be remembered that it can be overdone or underdone.

Interest stimuli consist of such things as stimulate a specific mental activity at the expense of all other mental activities for the time being. Using the mechanical simile again, interest stimuli are those things which change the direction of the present motion. If this purpose is not accomplished the appeal will not be effective. The elemental requirements of interest stimuli are indicated, under the discussion of effective stimulus, in the preceding chapter.

Desire stimuli include those things which stimulate the individual's mental activities regarding previous experiences relative to the matter in which he has become interested. His

ability to coördinate those experiences is also an important element. Therefore, desire stimuli should be designed to stimulate previous experience activities to the fullest possible extent. No person wants a thing unless previous experience has demonstrated its utility to some degree. Most people are interested in flying machines. However, comparatively few want one. This is because the fear of accident and the price would make the purchase of one a pain rather than a pleasure. Nevertheless, if some manufacturer should offer one that had been demonstrated to be perfectly safe and at a reasonable price, the desire for them would be almost universal.

Action stimuli consist of such things as produce a physical response or an expression. It follows the decision to satisfy a desire or the conclusion that the act will result in more pleasure than pain. However, if the expression is liable to meet with physical obstacles, the action stimuli must be sufficiently strong to produce the necessary physical effort to overcome them. The smaller the effort required, the more effective will be the action stimuli.

Any Kind of Stimuli May Be Relevant or Irrelevant

The purpose of an advertisement is obviously to stimulate mental activities which will result in the purchase of the commodity advertised. However, it does not follow that an advertisement, which contains the four classes of stimuli specified, will produce that effect.

Many advertising men feel that because they have included stimuli which creates interest in the ad they have accomplished the desired result. Many have strong ideas upon this point. Some consider a pretty girl as the first essential of interest, especially if the appeal is made to men. The basis for this belief is that a man will always look at a pretty girl. This may or may not be true, but it is certain that a pretty girl picture will not necessarily make him want the thing advertised. In

fact such a picture may remind him of some friend and start him to wondering where she is now.

The most effective stimuli which can be employed in any advertisement are those which are relevant or relate in the closest manner possible to the commodity being advertised. Large type display that is relevant will be more effective than pictures that are irrelevant.

The Arrangement of Stimuli in an Advertisement Should be Sequential by Classes

A person cannot become interested in a thing before his attention has been drawn to it. Neither can he desire it before being interested. Naturally he will not act in the matter until he has a desire for it. Therefore, the stimuli should be placed in the order mentioned, beginning at the top of the ad. This may seem to be obvious, but the writers of considerable advertising do not apparently appreciate it.

It will be frequently observed that an advertisement will have its attention stimuli in the center and sometimes at the bottom. Again it may be noted that the reader is encouraged to purchase the commodity. This will be followed by the interest and desire stimuli. This may work out if the reader has the time and inclination to go through a series of mental gymnastics, but as a rule it is wasteful.

The Classes of Stimuli May Be Created in Composite or Distinct Form

It may be possible to produce a pictorial effect which will include all four classes of stimuli in a comprehensive manner. When this can be accomplished *it* may prove most effective. In such cases the stimuli may be considered as a composite stimulus.

When each class of stimuli is of a clearly definable character, it should be considered as distinctive stimuli. The great trouble with most advertising is that the stimuli incorporated

is neither composite nor distinctive. This generally produces conflicting mental activities and a confused impression.

Whether composite or distinctive stimuli is most effective will depend largely upon the commodity advertised and the state of mind of the class appealed to. As a rule distinctive stimuli are preferable because they produce orderly mental activities and clearly defined impressions. However, there are some composite stimuli which, on account of their masterful treatment, are most effective.

Question Review

1. What may an initial impression be?
2. In what may a custom result?
3. What is a constructive habit or custom?
4. What is a destructive habit or custom?
5. What is a substantial stimulus?
6. What is a hypothetical stimulus?
7. What is an imaginative mental process?
8. What is a suggestive mental process?
9. What two properties may a stimulus possess?
10. What two qualities may a stimulus possess?
11. What four classes of stimuli should an advertisement contain?
12. What are relevant stimuli?
13. What are irrelevant stimuli?
14. How should stimuli be arranged in an advertisement?
15. In what two forms may classes of stimuli be created?

CHAPTER IV

PHYSIOLOGICAL CONDITIONS

In the previous two chapters we have considered some of the elements of psychology that are of most importance to the advertising man. In this chapter we will consider the physical principles to which the psychologist must refer for the verification of his hypotheses.

An appreciation of these underlying principles is an important one to the advertising man. This is because man's activities are governed primarily by a mechanical organism which, while not necessarily dominating him, exercises a strong influence over his acts. Science has demonstrated beyond all question that every effective stimulus produces a resultant muscular and nervous as well as mental reaction. The character and effect of such reaction is dependent upon the extent of the cellular mental processes involved.

Every Mental Activity Has a Nervous Basis

Every thought which a person thinks and every act performed, is either an immediate or resultant effect of an activity of some part of the nervous system.

The nervous system consists basically in groups of cells which are incited to activities of certain kinds by various forms of specific stimuli. In the lower organisms, such as the amoeba, their functions are purely those of preservation, responding to food stimuli and warning against dangers. In the higher organisms they reach a stage of development in which their activities are known as consciousness.

Scientists have proven conclusively, by comparative anatomical studies, that throughout the animal series, from

lowest to highest, the greater the complexity of mental activities, the more complicated is the nervous system. The progress from the lower to the higher types is also marked by increasing specialization in the functioning of various parts of the nervous system.

Thus in the human being we find the organism enmeshed with a most intricate system of nervous fibres which have their beginnings and endings in organisms whose functions are of the most highly specialized character. Experimental physiology finds certain areas in the brain are control centers for certain sets of movements and of higher mental processes such as judgment, decision and others.

Injury to any part of the nervous system affects one's consciousness. A frozen finger may be amputated without pain to the owner. Drugs which act temporarily upon the nerve tissue affect consciousness. A severe shock which throws the entire nervous system out of gear produces a state of unconsciousness. When a normal nervous system can no longer respond to stimuli, its owner goes to sleep. Therefore it is evident that any form of consciousness is dependent upon nervous activity.

There Are Two Forms of Nervous Activities: Sensory and Motor

Nerves have their sources in nervous organisms called nerve cells, which form the central nervous system and are situated mostly in the brain, in or alongside of the spinal column. Nerves and cells are divided into two classes according to their functions, i. e., sensory and motor.

The sensory nerves extend from the sensory nerve cells to more or less remote parts of the body and end in nervous modifications which have the faculty of being acted upon by various forms of vibratory activities. These nervous modification endings are called receptors and contain receptive cells which are directly affected by the stimuli, as well as many accessory structures.

When the receptors are acted upon by stimuli to the extent of affecting the sensory nerve cells, a state of consciousness results which is called a sensation. What effect will be produced by a sensation depends upon the manner in which it is conveyed to the motor cells.

Motor nerves extend from the motor nerve cells to the muscles, organs or glands, which execute the response to the stimulus. Sometimes the motor nervous activity may be purely muscular or it may be purely glandular. In other cases it may be organic. An illustration of glandular response would be the flow of saliva upon seeing some appealing food. Still another would be the glandular response to some stimuli producing a state of anger which science has demonstrated generates a poison in the system.

Sensory and motor cells are connected by nervous processes by which the nervous current is transmitted from one class of cells to the other. This combination of receptors, effectors, nerves and nerve cells in their simplest forms constitute what is known as the nervous ark. It has been demonstrated that every stimulus which is effective produces a reaction. The nature of this reaction is contingent upon conditions which will develop as we progress.

If a stimulus is presented which affects a receptor, the effect of the activity produces a nervous current which is conveyed by related sensory nerves to some sensory cells. This current may pass immediately to some motor cells and be discharged through the motor nerves to some muscles, organs or glands, resulting in an immediate physical reaction to the stimulus.

There are Three Kinds of Nervous Activities: Reflex, Simple and Complex

There are two main divisions of the nervous system in the human body, the Ganglionic and the Cerebro-spinal.

The Ganglionic nervous system comprises two nerve cords located one on each side of the spinal column. Connected

with these cords are three main plexuses, or networks of sensory and motor tissue, which are situated in the cavities of the thorax and the abdomen. In addition there are a great number of smaller ganglia and related nerves distributed throughout the body. By means of these distributed nerves and ganglia the ganglionic cord is connected with the muscles, organs and blood vessels of the body.

The nerve cells of the ganglia respond to stimuli which result in unconscious acts or automatic movements such as shivering, perspiring, the winking of the eye, the pulsating of the heart, as well as all other automatic muscular movements. When the impulse or nervous current follows this path it is known as a "reflex." Stimuli which produce reflex action may result from some internal or external physical activity or it may be the result of an image occurring in one of the higher mental areas. A combination of the two forms of stimuli may also produce reflex action.

It may seem that these reflex or unconscious muscular reactions are of little importance from the advertising man's viewpoint. As a matter of fact they are very important, as will be demonstrated. Experiments have shown that these reactions practically control those acts which are instinctive. The animal species which lack consciousness generally possess the ganglionic nerve tissue. In such animals as do not possess it, there is a lack of coördination of the areas of the organism. However, as soon as the nervous development reaches a growth where they intercept each other, coördination manifests itself to a greater or lesser extent. Thus it is evident that ganglionic nervous tissue preceded those of the mental areas. Being purely physical in their reactions they are naturally strong factors in the response which an individual will make to stimuli. The lower the mental development of the individual, the greater is this tendency.

The important point for the advertising man to remember is that if he uses matter which produces negative reflex action,

he will reduce the possibilities of his prospect's desired conscious reaction in the ratio to which his stimuli produce that result.

The centers of the cerebro-spinal system are situated in and adjacent to the Brain and Spinal Cord. The nerve cells lying in the areas of the spinal cord and the lower section of the brain or cerebellum control acts which, while conscious, are more or less uncontrolled.

These nerve cells, generally speaking, govern those acts which are the result of stimuli which produce conscious sensations resulting in habits or customs. The stimuli to which they react may have their origin internally or externally as in the case of ganglionic reaction. When a want is felt by the individual and the reaction follows, almost as a matter of course, it is due to the operation of these cells. Such a reaction is known as a simple nervous activity because the conscious sensory impulse is quickly transmitted to a conscious motor discharge.

If you feel like smoking you reach for a cigar. You are conscious of the act, but do it without any mental effort. When you go out into the cold you button up your coat and perhaps turn up the collar. You don't stop to consider the advisability of these acts, but do them consciously and voluntarily. Both of these illustrations exemplify the transmission of a simple sensory current to simple motor discharges.

When the nervous current is intercepted, so to speak, and carried to the higher nerve cells and mental areas, located in the cerebrum, to be subjected to the influence of the deliberative centers before being discharged by the motor cells, the activity becomes complex in nature and uncertain as to the result. The reaction may be delayed for a short interval or it may be held up indefinitely. Frequently, it will be neglected entirely so far as apparent motor response is concerned.

In passing, it should be noted that nervous activities may be reciprocal to a greater or lesser extent. We have found that,

generally speaking, nervous activities are threefold in character: Reflex, Simple and Complex. It frequently occurs that the motor discharge of any one kind of nervous activity may constitute a stimulus for some other kind. Thus a purely reflex motor discharge, such as a pain in some internal region may provide the stimulus for a simple nervous activity which will result in a simple motor discharge in the form of taking some medicine; or again it may result in a complex motor discharge which manifests itself in a decision to see a physician. A reciprocal activity may have its source in any one of the three and involve either one or both of the others.

When the advertising man is preparing his appeal he should consider what character of nervous activity must be induced in the prospect to produce the desired response. He should then endeavor to ascertain what kind of stimuli will incite or stimulate the desired character of nervous activity. If the purpose is to stimulate or change an incidental habit, for instance, as to the use of some brand of commodity, a simple nervous activity will generally be effective. If it is desired to change a dominant habit or a custom, a complex, nervous activity should be stimulated.

Sensory Nervous Activities Are Produced by the Effect of Stimuli Upon Five Classes of Receptors

Receptors, as previously stated, consist of nerve terminations which are modified in such a manner that they respond to the vibratory activities of other matter. Each of these classes of receptors responds to certain forms of vibratory activities, and all are practically recording organs for the registration of such activities.

Thus the eye possesses the faculty of recording those vibratory activities known as light or its subdivisions called color, as well as specific combinations which constitute shapes. The ear records vibratory activities known as sound. Other

receptors record vibrations which result in sensations known as taste, smell and feeling.

As stimuli presented by the advertising man are primarily designed to stimulate the activity of the eye, he is naturally most interested in the scope of that organ's faculty. However, the effect of such stimuli may be greatly dependent upon the conditions of the individual as a result of either the same or other forms of stimuli which have been presented from other sources. As a matter of fact, the advertising man's stimuli, to be effective, must be designed to intensify or nullify the effects of other forms of stimuli.

On this account a physiological knowledge, which embraces a comprehension of the effects of various forms of vibratory activities upon the human receptors, is of great value to the advertising man—much more so than is generally appreciated.

An illustration which may demonstrate this point will be found in the tendency of the eye to register such activities as are different in some manner from those to which it has become accustomed. A realization of this has resulted in the use of arrows, either in the form of straight lines or curves, which, because of their contrasting elements, attract attention. There are many instances of where the use of arrows would be entirely different if the laws of optic motion had been understood. This refers to such uses of arrows as have a tendency to make the reader skip around directly through the subject matter thereby missing the important points. In some cases, arrows are employed in such a manner that an adjacent advertisement derives all of the benefits of the space of the arrow user.

The Extent of a Nervous Activity Is Contingent Upon the Character of the Stimulus

The recording organisms or receptors naturally respond to any stimulating activity within the scope of their faculty. However, they are restricted as to the quantity, velocity or

force of the activities which they will register. If several stimulatory activities are presented at one time which are too numerous, the registration will produce confusion which, if continued for a sufficient length of time, will produce pain. This is because all vibratory activities of a given character bear certain harmonious and inharmonious relations to each other which vary according to their character. When the stimuli involve a large quantity of activities it generally follows that they consist of inharmonious groups which call upon the receptor to register several different rates of activity at the same time. This exceeds the scope of their faculty.

If the stimulatory vibrations are too rapid or come with too great force, the receptor is stimulated to an activity to which it cannot respond. This strains it to a degree which is painful in the ratio to which the demand exceeds its limitations. When an individual suffers pain he seeks relief from the cause. If, on the contrary, they lack in rapidity or strength, they fail to stimulate a responsive activity on the part of the receptor and no impression results.

All knowledge possessed by an individual is primarily contingent upon the efficiency of his receptors. The developed eye and ear sees or hears many things which the undeveloped eye and ear passes unnoticed. The advertising man who would have his prospect know about his product should see to it that the stimuli he presents are within the scope of the faculty of the receptors through which the prospect must register the impression. The scope of such faculties will vary according to the nervous and resultant mental development of the individuals comprising the class appealed to.

Thus the psychologist who is endeavoring to ascertain by tests what activities are registered with greatest ease and most effectively is doing a most important work for the advertising man.

By investigations and experiments he has found that different colors produce varying effects according to the mental de-

velopment of the individual. He has also found that certain kinds of argument are effective in some cases while they make no impression in others. When his results have been checked up from a physiological standpoint they are found to be logical. In fact, physiology and psychology are being found to be so closely related as to make the drawing a line of differentiation a difficult matter.

The undeveloped mind of the individual, whether it be due to youth or lack of inherent mental development, responds more readily to crude colors, sounds and images. This is because the vibratory activities of crude elements are stronger or more forceful, and the receptors of the undeveloped mind only respond to such forms of activities. However, it must be remembered that change of condition is essential to growth or development of any kind. A surfeit of any one thing becomes monotonous after a time because it confines the activity to a given locality and taxes the receptors to a point where they cease to respond. Even the undeveloped mind appreciates a cessation from forceful stimuli at times. The fact that such relief is occasionally effective is not evidence of the fact that the stimuli giving such relief will be the most effective if used continuously.

A child who has been engaged in active play will appreciate a cooling drink, but after the drink has been effective he is quite apt to resume his activities. So the fact that an undeveloped mind will respond occasionally to refined stimuli is not evidence that such stimuli will continue to be effective.

There Are Two Forms of Mental Process: Impulsive and Deliberative

Under the discussion of the kinds of nervous activities it was stated that two of them, i. e., the simple and the complex, were conscious nervous activities. When conscious nervous activities exist in a series of related or coördinated arrangements from sensory impulse to motor discharge it constitutes a

mental process. When such a mental process consists of a series of simple, nervous activities it is an impulsive mental process. When it consists of a series of complex nervous activities it is a deliberative mental process.

While these statements are of a positive character, it is understood that in view of the lack of definite scientific evidence, they must of necessity be hypothetical, in a sense. No person knows as a matter of demonstrable fact just what takes place in the mental area between the receipt of a conscious sensory impulse and a similar motor discharge. Many eminent scientists have expressed more or less clearly defined views upon the subject, but in most cases there is a diversity in point of either principle or detail, or both. However, there are many points upon which the majority agree, and as these points of agreement have not been contravened they are generally accepted as truths which constitute the basis of all knowledge upon such matters.

The validity of such points is strengthened by the fact that the conclusions resulting from psychological research and experimental physiology are, for the most part, in thorough accord. So while the operation of both mental and nervous phenomena, or the method by which the two coördinate, are not matters of basic knowledge, we can at least benefit by the trustworthy deductions of both scientific branches. Even the most skeptical can be helped by employing them as a basis for comparison in connection with his own operations.

No one can state specifically, or demonstrate exactly, how or why the retina of the eye is receptive to certain classes of vibratory activities. Nevertheless, it cannot be denied that the eye does function in such a manner. So while no one can demonstrate just how or why certain deliberative processes take place in the mind, it would be obviously ridiculous to deny that they do take place.

Assuming, therefore, that the hypothesis of impulsive and deliberative mental processes is a true one, what are the

effects of these processes? It means primarily that if a quick response is desired, the stimuli must be designed to produce a series of simple nervous activities. On the other hand, if it is desirable or essential that the prospect should weigh the matter carefully, going through the processes of argument, consideration and conclusion, that the stimuli should be designed to produce a series of complex nervous activities.

A decision as to which form of stimuli will be most effective in a specific case will depend upon whether the demand for the commodity exists at all, and if it does whether such a demand is in the "class" or "brand" stage. It will also depend upon the amount of energy, financial or otherwise, required of the prospect to obtain it. In addition much will depend upon the status of the commodity itself as to the source, utility and the many other elements which were considered in this work under the heading of "Commodities."

Another important consideration is the state of mind of the individual appealed to. When a complex mental activity is induced, either directly from an external stimulus or reciprocally from a reflex or simple nervous process, it has been stated that it may or may not result in a motor discharge. In either event the resultant process has made an impression upon what is termed the memory, which may or may not exist as a mental area. These memory impressions may be rehabilitated or "imaged" in such a manner as to constitute in combination or singly, stimuli which will result directly in motor discharges or act as either a reinforcement or deterrent to some deliberative mental process that is already in action.

A Deliberative Process May Become an Impulsive Process or a Reflex Nervous Activity

The fact that certain kinds of stimuli produce a deliberative process is not evidence of the fact that it will continue to do so. On the contrary, a repeated response to the same stimuli will generally result in producing impulsive mental processes.

When a receptor senses a new form of stimulus it produces a simple sensory current. When this current reaches the sensory cells the provision for response has not been made. This is what is known as ignorance. As a result its action is intercepted and referred to the deliberative centers for consideration. After this process has been repeated a few times in relation to the same form of stimuli a nerve cell specialization results which develops as the repetition occurs. When this specialization reaches a point where familiarity exists and deliberation is no longer required, the mental process involved in such a reaction becomes an impulsive one.

Thus the child after considerable deliberative mental process learns to maintain his equilibrium and walk erect. Then he acquires the faculty of talking while he walks. In addition he becomes able to smoke while walking and talking; subsequently he reaches a point where he can do all these things and carry a cane. As the number of acts which he can perform resulting from impulsive mental processes increases, the greater is the number of things he can do at the same time. Likewise the greater is the number of his habits. Eventually by this method many of his simple nervous activities may be reduced to a purely reflex stage.

A pertinent illustration of this tendency is the registration by the eye of activities consisting of certain forms of color and combinations of type matter which are employed to symbolize sensations and impressions, with a view to actually producing images of them in the minds of the reader.

Color stimuli as a rule produce purely reflex nervous activities regarding which the individual is usually absolutely unconscious. These color reflexes frequently produce either or both reciprocal impulsive or deliberative mental processes without the individual's appreciation of their cause. Various directed lines will produce the same effect. Awkward angles and zigzags produce uncomfortable feelings of varying degrees while curved lines are soothing in their effects. This is be-

cause the first forms of consciousness denoted objects by means of color and lines which are therefore basic thought stimuli.

The process of learning to read is purely a deliberative one at first. As the student becomes familiar with the sensations or impressions which the combinations of letters symbolize, the process becomes an impulsive one.

The word "beer" creates instantly an image of the object it symbolizes. The degree of thirst is quickly ascertained and the distance to the nearest dispenser is estimated. If the effort necessary to obtain it is greater than the desire the motor reaction is ineffective. If a person shouts "Murder" the reaction is quite frequently a reflex. If such a stimulus is applied to a woman she may faint at once.

Some people can read understandingly while they do not derive much benefit from listening. Investigation will develop that with them printed words are impulsive stimuli while the spoken words are deliberative stimuli. Whether a person is a better "reader" or "listener" will depend upon his habit of imaging symbols.

Some people will register more activities with their eyes than with their ears. However, this is not evidence of the fact that they receive more impressions through their eyes than through their ears. Many people remember little that they see and yet remember almost everything that they hear. Optic stimuli to be effective must produce an impression.

Question Review

1. What is the basis of every mental activity?
2. How many *forms* of mental activities are there?
3. What is a sensory nervous activity?
4. What is a motor nervous activity?
5. How many *kinds* of nervous activities are there?
6. What is a reflex nervous activity?
7. What is a simple nervous activity?
8. What is a complex nervous activity?

9. What is a reciprocal nervous activity?
10. What is a receptor?
11. What is an effector?
12. How many classes of receptors are there?
13. Upon what is the extent of a nervous activity contingent?
14. How many forms of mental processes are there?
15. What is an impulsive mental process?
16. What is a deliberative mental process?
17. What may a deliberative mental process become?

CHAPTER V

ECONOMIC CONDITIONS

If a man wants nothing, he does nothing. Therefore, all human activities are the result of wants. In the previous three chapters, we have discussed the basis of human wants. From this discussion it is evident that every human being must have several wants simultaneously. It is seldom that any person can satisfy all wants at one time. Some wants are more important than others. These are satisfied while the others wait or are offset by subsequent wants.

The decision as to which wants shall be satisfied in preference to others depends upon the degree of pleasure which the satisfaction produces as compared to the amount of sacrifice required by the effort. Every human being desires to get the most pleasure possible from his efforts. This is known as the economic motive.

The amount of effort required to satisfy a want is contingent upon the economic relation which the object of the want bears to the individual and to the community. This relation is governed by conditions of supply and demand, which are affected by the sum of the community's economic motives. In this chapter, we will discuss these conditions as being economic conditions.

Wants are the Result of the Individual's Environment and State of Mind

Under "Physiological Conditions" we found that all human activities were various forms of responses to stimuli which affected the different sense organs of the individual. The

character of such responses was shown to be dependent upon the extent and state of the individual's nervous mechanism.

As all things which can be sensed by human sense organs constitute stimuli, it becomes obvious that the extent and state of the individual's nervous mechanism is governed to a great extent by the character of the objects and people comprising such stimuli. From this it might seem as though given stimuli would affect all people in the same manner. If the gray matter comprising the brains of all people were exactly of the same consistency this would be so, as nerve force acts as a stimulus to the brain cells just as heat does to an egg.

If 65 degrees of heat are applied to a hen's egg long enough, it spoils. If 102 degrees are applied long enough a chicken results, providing the egg is fertile. If 212 degrees are applied you have a boiled or a poached egg as the case may be. Six hundred degrees will transform it to the consistency of a billiard ball. So with brain cells—the result is dependent upon their character and the nervous activities produced by the stimuli.

However, the consistency of the individual's brain cells is also an important factor. The brain cells of different people may respond to the same stimuli in different ways. In many cases the variation is most marked. In others there will be a great similarity. This is due to those inherent qualities which are responsible for a person's individuality. The comparison of the effect of heat upon an egg will also illustrate this point. As stated 102 degrees of heat will transform a hen's egg into a chicken. But this heat must be applied for three weeks. With a pigeon's egg it only requires the application for two weeks, while a duck's egg will not hatch in less than four weeks. So while certain stimuli may affect some people in a given period, it may require a longer or shorter application in other cases.

Therefore, it will be seen that while the wants of the individual are governed by his environment, much will depend

upon his state of mind resulting from the effect which that environment has upon him. In some rural sections the inhabitants have been content to live under conditions which have been found to be most inconvenient to the inhabitants of other rural sections. In the former community, for instance, are found oil lamps, coal stoves, wells and isolation, while in the latter are found electricity, furnaces, running water and telephones.

As advertising is primarily designed to create or stimulate either a general or a specific want, it will be employed most economically when constructed with a thorough understanding of the environment and states of mind of the individuals at whom it is directed. This understanding can only be acquired from experience which constitutes definite knowledge in the matter. It cannot be guessed at.

The Effect of Environment May be Climatic, Geological or Sociological

Human wants are largely dependent upon the climatic conditions under which the community exists. These conditions have their effect upon wants in two ways: First, upon the productivity of the soil; second, upon the nervous organism of the individual.

The elemental wants of food, clothing and shelter are the dominating wants. They must and will be satisfied first. If the climatic conditions are such that the materials to supply these wants are scarce, the members of such a locality will of necessity devote most of their time to procuring such materials. Consequently their mentality will be more or less primitive and their wants correspondingly limited.

On the other hand, if climatic conditions are such that the soil produces a superabundance of such necessities, these wants are so readily satisfied and possibility of future inability to supply them is so negligible that the mentality of

the people is apt to be equally as primitive owing to the absence of any incentive to activity.

According to the plans of nature, the lower the temperature, the smaller is the supply of necessities while the higher the temperature the greater the supply of necessities. Food and shelter are necessities in either case, but where clothing is a necessity in cold climates it is not so essential in warm climates. However, with the sociological development of the community it becomes a necessity for other reasons. The character of the food, clothing and shelter required is dependent upon climatic conditions. Walrus blubber would be of as little value in a tropic climate as an orange in a frigid climate. A denizen of a warm country would have as little use for a fur cap as a resident of Iceland would have for a panama straw hat.

In climatic zones where the temperature is constantly changing, the wants of the inhabitants are also changing. In the United States every section is subject to greater or lesser climatic changes. The periodicity of such changes is seldom in agreement in any two sections. Yet, it is no uncommon thing for an advertiser to use the same form of advertising in all sections simultaneously. Thus we see strawberry seed being advertised in Texas after the strawberry season has been forgotten. Likewise winter underwear is advertised in some sections long after the residents have adopted lighter attire. Again, we see summer underwear advertising in the north while people there are still suffering from the cold.

Climatic conditions also affect the mentality of humanity as the result of their effects upon the nervous organism. The rigor of the arctic regions where the temperature is low and benumbing utilizes a greater amount of nervous energy than is required in more temperate localities. On the other hand the excessive heat of the tropics enervates and destroys nervous energy—retarding mental development and consequently limiting the wants of such communities. While we have

civilization in both frigid and tropic regions the greatest development usually exists in a temperate climate.

No matter what the character of commodity, the advertising man can generally effect a very noticeable economy by possessing himself of an exact knowledge of the climatic conditions of a locality in which he proposes to advertise. He should also inform himself of the effect which such conditions have upon the mentality of the residents of that locality. This is because such climatic effects usually govern the buying habits and customs of the community.

While climatic conditions are a strong factor in the effect of environment, they deal with conditions which are external to the earth's surface. Geological conditions, which deal with the structure and contents of the earth itself, also play an important part in environment. As related to altitude they are equivalent to climatic conditions, for altitude frequently affects the climate. Aside from this the character of the soil itself, and the forms of animal and vegetable life it will support are controlling factors of environment. Thus residents of marshy or arid localities are so constantly occupied with the procuring of necessities, that they have little time or energy to develop other wants.

Another important geological condition is the underground mineral contents. Where the surfact may be marshy or arid, some substrata may contain valuable minerals with which the residents can procure life's necessities with comparative ease. Where mining constitutes the major part of a community's activities the wants of the individual are peculiar to that form of work. Things that are of little value in farming districts may be almost priceless in such localities.

While climatic and geological conditions are strong factors in the effect of environment, sociological conditions are also effective elements. These latter conditions might almost be considered as resultant conditions, for man's relations with his fellow-beings are governed by the character of his fellows.

The character of man's fellows is dependent to a large extent upon the nature of their pursuits.

Sociological Conditions are Affected by the Density and Migration of the Population

Where a locality is thickly populated each individual becomes a stronger influence and is the subject of a greater number of influences than in sparsely populated districts. This condition produces wants that are peculiar to the situation and which frequently assume the proportions of necessities. In some sections of northern New York, for instance, no one ever thinks of locking a door. In New York City failure to secure the front door properly would be foolhardy.

While all wealth primarily comes from the soil, the amount of wealth possessed by the individual is dependent largely upon the number of individuals who have to share the wealth so produced. Where a locality is under-populated, the individual seldom produces the full amount of wealth possible from the environment. When the locality is over-populated it is quite probable that the per capita distribution of the wealth will decrease in the ratio of over-population. Of course this condition will be governed in a measure by the character of the wealth produced in a community, but as a matter of general principle the degree of the individual's wealth will be in the ratio to the under-population or over-population of the community.

While there are no reliable statistics as to the density of population that should exist under given conditions, the advertising man can benefit considerably by consulting the census report as to the per capita earnings of the individuals comprising a community as compared to the population indicated to the square mile.

Density of population is beneficial in that it permits of the distribution of a commodity by its producer with greater

economy both in point of sales efforts and transportation. However, the value of this benefit is frequently offset by the degree of competition existing in such a locality. When such a condition occurs you have an example of one economic force nullifying another.

The census report divides the population into groups, *i.e.*, hunting and trapping; pastoral or grazing; agricultural; manufacturing; commercial. Of these groups the first three may be said to be independent. The last two are dependent because they rely upon other communities to produce the food upon which they subsist and the materials with which they produce their wealth. It is obvious that there can be a greater density of population in the last two groups than in any of the other groups. Likewise the agricultural group can normally support a greater density of population than the grazing or hunting groups.

However, this is dependent upon the value of the products, whether food, commercial, or manufactured, which are produced by the community. Density of population then, as a sociological condition, depends not so much upon quantity as upon the value of the products.

Migration of population is a sociological factor for three reasons: First, as it acts as a relief to over-populated localities; second, as it increases the activities of under-populated localities from the standpoint of simple necessity; third, as the migrators bring to the new community ideas which tend to increase the efficiency of the existing population, or by making some essential condition an economic possibility.

Between 1900 and 1910 there were a large number of cities whose population increased by migration and birth over 50 percent. Many of these increased over 100 percent and some over 200 percent. During that same period nearly 10,000,000 foreigners immigrated to this country. This increase of population either by birth, immigration or migration had its economic effect upon the communities concerned. Any man-

ufacturer who kept himself informed upon such matters could have benefited accordingly.

In certain sections of the west, which have been of little value, on account of lack of a water supply, a new condition has been created by an increased population. Heretofore, with a limited population, the pro rata cost of building irrigation ditches has been prohibitive and the land has been comparatively unproductive. However, in the past few years the population in some localities has increased to an extent which made the pro rata cost of such construction an economy to all. Thus a nominal investment has made it possible for the individual to increase his wealth many fold.

There are so many ways in which economic conditions may be affected by the character and quantity of the population, that it would be highly impractical to discuss them all in this work. However, every student and practitioner of advertising should give the study of economic conditions his thoughtful attention. No advertising campaign can be conducted intelligently unless these conditions are taken into consideration. This statement applies whether the campaign is to be local, sectional or national.

Before passing from this subject it might be well to consider density of population from two sub-viewpoints in order to simplify the understanding of the matter. These are Concentration and Distribution.

Concentration of population refers to the density of urban and rural population. In some states it will be found that while the density of the population is greater than that of some other states yet the urban population will be found to be greater in the states having a lower density. Frequently an advertising campaign is conducted by states and at a resultant greater expense than if it were based upon points of concentration or otherwise, as the circumstances may demand.

Distribution of population refers to the divisions of population as to sex, age and occupation. Sex is an economic

factor because the percentage of women affect the earning power of the individual in the ratio to which the women of a community are wage earners. Age is also important because it relates to the buying possibilities of the individual both from the standpoint of earning power and state of mind. About 20 percent of the population are under 20 years of age and their earning capacity is a limited one. Also their wants are more limited than are those of adults. About 40 percent of the population are over 60 years of age and their earning power and wants are likewise limited. The wants of old people are also generally fixed and it is usually difficult to induce them to change their methods of satisfying their wants. Thus we find that only about 40 percent of the population are between the ages of 20 and 60 years. The occupations of many of these are such that their incomes are limited, which affects their buying capacity.

Thus while 90 odd millions of people seem to be a pretty large field, yet when it has been reduced to a logical maximum of prospects and the possibility of affecting this maximum of prospects in the face of competitive conditions is considered, the proposition may not seem such an alluring one, but will indicate the necessity for thorough and intelligent effort.

Wealth Should Be Considered From Two Viewpoints, i. e., Capital and Income

Sometimes the practicability of conducting a sales campaign in a locality will be based upon the indicated wealth of the community. However, wealth is not always an indication of buying power.

The buying power of an individual is dependent upon his income as against the cost of his outlay for bare necessities. Capital, generally speaking, consists of those things with which income may be produced.

Wealth may be considered as those possessions which can be sold for money or whose use may produce money. Whether it consists of a tangible or an intangible commodity, its value is dependent upon the amount of money it will produce either directly or indirectly. If it does not produce, it is not wealth no matter what its cost. Some people have an abundance of unproductive land, and are prone to consider themselves wealthy. However, the extent of their wealth at a given time will depend upon the amount which they can obtain for their land at that time.

A manufacturer may have a large stock of goods on hand. If he cannot sell them they are not wealth. Likewise, he may own a large amount of expensive machinery, but if he cannot sell the goods produced by that machinery, the extent of his wealth from a machinery standpoint is the amount he can get for it as second hand machinery.

However, the real estate, the machinery and the manufactured goods referred to all constitute capital so long as there is a possibility of their producing either a direct or an indirect income. When a person's wealth is considered as a basis for extending credit, the man possessing some form of capital is undoubtedly a better risk than the man without capital. But when a person's wealth is considered from the standpoint of his buying capacity, the extent of his income becomes the important consideration.

Of course, money, whether in the form of income or invested capital, is wealth. However, when it constitutes invested capital, there may be unknown liens upon it which deprive it of its status as wealth. Money may be wealth, but wealth is not necessarily money.

The Buying Capacity of a Community May Be Affected by Industrial or Monetary Conditions

The relations which the income producing industries of one community bear to those of other communities are known as industrial conditions. Industrial conditions in one com-

munity may be affected by many things and as a rule affect to a greater or lesser extent all forms of industrial and commercial endeavor.

Perhaps the most important of these are labor conditions. Strikes, lock-outs and all forms of labor troubles are more or less destructive according to the number of people involved and the duration of the trouble. While the strikers cease to produce, their wants diminish to those of absolute necessity. The producers of commodities which satisfied the strikers' discontinued wants, suffer a loss in trade. Perhaps they may have to lay off some help themselves.

Raw materials, produced to meet the expected demand, may spoil or go to waste. If the strike assumes more than local proportions the more widespread becomes the destructive effect.

Monetary conditions refer to the elasticity of money. When industrial conditions are satisfactory monetary conditions are usually satisfactory also. However, if it is anticipated that money will be tight for any reason, people begin holding on to what they have. By withholding it from circulation, they render difficult the exchange of commodities. The greater the difficulty to effect an exchange of commodities the lower is their value at such a time.

A financial stringency may result from political conditions, wars, inflated values and many other things, including the very industrial conditions upon which the stringency may react. The advertising man may feel that his work should not be seriously affected by either industrial or monetary conditions. However, either one or both may be an important factor in exceptionally poor results or unusually good results.

Generally speaking, however, both conditions are worried about long before and after they should constitute cause for concern. Many producers thereby deprive themselves unnecessarily of a considerable amount of profits. Some are always dodging this bugaboo during panic years. Others ignore it and make money during such times.

Question Review

1. What are economic conditions?
2. What is the economic motive?
3. What are wants the result of?
4. What conditions influence the individual's "state of mind"?
5. What may the effect of environment be?
6. What is the effect of climatic environment?
7. How does it affect the community directly?
8. How does it affect the community indirectly?
9. What are the four forms of climatic conditions?
10. What is the effect of geological environment?
11. What are the three forms of geological conditions?
12. What is the effect of sociological environment?
13. By what are sociological conditions affected?
14. Upon what is the amount of the individual's wealth dependent?
15. How is density of population beneficial?
16. Into what groups does the census report divide population?
17. What are their normal relations as to density?
18. In what three ways is migration a sociological factor?
19. What is concentration of population?
20. What is distribution of population?
21. From what two viewpoints should wealth be regarded?
22. What is capital?
23. What is income?
24. Upon what is the buying power of the individual dependent?
25. By what may the buying capacity of a community be affected?
26. How may it be affected by industrial conditions?
27. How may it be affected by monetary conditions?

SECTION 3

Methods

The methods of advertising will be considered under three headings, i.e., Interpretation, Construction and Application. Interpretation is the discussion of those elements which will indicate what should be done. Construction considers how it should be done and Application assists in the conclusion as to where it shall be done.

This section deals with the actual process of advertising. The first section discussed those essential elements by which the advertisability of a commodity may be judged. It considered the matter from general, specific and monetary standpoints. The second section discussed the conditions which affect the selling and advertising of a commodity. These conditions were discussed from both the trade and consumer standpoints. No man is qualified to direct the expenditure of an advertising appropriation until he has a practical knowledge of all the points discussed in these two sections. Whether this knowledge is gained from experience or as the result of study is not material. The point is that without this knowledge the practitioner will not be efficient.

We are entering an era of efficiency. Efficiency is based upon a knowledge which makes the individual's efforts conscious efforts instead of guesswork. Such efforts are scientific in the degree to which they are based upon facts considered in their proper relationship.



CHAPTER I

INTERPRETATION

Interpretation calls for an analysis of the product's status as a commodity, its relation to its own class, to other classes and to the consumer. It also calls for a conclusion as to what will be the purpose of the advertising and what methods should be employed to accomplish that object. These elements for analysis will be discussed under eleven important headings and twenty-two equally important sub-headings. No attempt should be made to advertise a commodity without subjecting it to an analysis to this extent. The reader will bear in mind that this analysis does not include the discussion as to how the advertising shall be done or where it shall be done. Those points will be discussed under the headings of Construction and Application.

The Purpose of Advertising May Be to Obtain Distribution or Demand or Both

Some commodities enjoy a widespread distribution but there is little demand for them. In such a case the purpose of the advertising must obviously be to create a demand.

However, it must be remembered that distribution may be extensive or intensive. The fact that a product can be obtained in a majority of locations does not necessarily constitute a satisfactory distribution. Effective distribution generally calls for a majority of the possible outlet units in a locality. Whether this is so will depend to a great extent upon the utility of the commodity as compared to its price. It is also contingent upon the relation which the specific brand bears to its class of commodities and the degree of class competition in each locality.

The demand may exist but if the distribution is not intensive enough the force of the demand will not be effective. Therefore, a seeming lack of demand may in reality be evidence of inefficient distribution.

As a rule lack of demand is due to one of three causes. First, failure of the consumer to appreciate the utility of the commodity. Second, lack of utility by the commodity. Third, opposition on the part of the retailer. In the first case the remedy is consumer education. The second cause requires an improvement of the commodity. In the third case the evil must be overcome either by force or proper persuasive methods as the case may warrant. Advertising is essential in the first instance, useless in the second and difficult in the third.

If the distribution and demand for a commodity is satisfactory in a section then it is usually safe to widen the scope of both. This will depend upon the utility and entrenchment of competing commodities in the new territory. This condition should be ascertained first. It may develop that while competition is already strongly entrenched, the supply of such brands is not sufficient to meet the demand for that class of commodity.

Distribution and demand are more or less reciprocal in effect. The retailer is loath to stock goods for which he has no demand and demand is not effective without distribution. Nevertheless distribution should generally precede demand. A fair proposition, a good reputation and an efficient advertising and sales plan should be effective.

The Policy of Advertising May Be Dependent on or Independent of the Retailer

The majority of producers find it more satisfactory to sell through the retailer. This enables them to employ all their time and capital for production and the creating of demand. It also divides their responsibility and simplifies their selling problems.

Nevertheless there are a great number of producers who do a large and profitable business entirely independently of the retailer. However, no producer can seek to do business both ways. No retailer will handle goods sold "direct to the consumer."

Whether the advertising should be designed to obtain business direct from the consumer, either by mail or the producer's local representatives, or whether to create a retailer demand depends upon the demonstrability of the commodity, competition and the predilection of the producer.

The greater the difficulty of demonstrating a commodity's utility—the more complicated is its construction or operation, the less likely is it to be done justice by the retailer. In such cases the producer must go direct to the consumer.

It may happen that competition is firmly entrenched, dominating all desirable outlet units. Also destructive competition may have reduced the demand for a class of commodity to such an extent that it is unprofitable to the retailer. In either event consumer education and confidence must be created.

Possibly the producer himself may desire to sell direct. Some people feel that this is the only satisfactory or profitable way that they can do business. In such a case direct consumer advertising is the only kind that the producer will cooperate with fully.

There are many instances, however, when the producer wants to sell direct to the consumer with questionable intent. In such cases he makes false statements as to saving the middleman's profits and seeks by other means to mislead the consumer. Such a policy won't last long.

When the policy of the advertising is independent it must of necessity have a more personal, confidence-creating effect than when it is dependent. This is because the consumer is required to make a greater effort, in one way or another. There are some notable exceptions where the consumer can be supplied with a minimum effort, but they are not the rule.

The Basis of Advertising May Be Price, Quality or Utility

The relative values of each basis has been discussed at length under the heading of competition. The conclusion as to which basis should be employed depends to a great extent upon competitive conditions along the same lines and the relation which the commodity in question bears to such competition.

A quality basis is considered most desirable by some because it permits of a larger profit with less effort, the contention being that there is as much profit in a sale at 50 percent as there is in twice the sales at 25 percent and less trouble of handling the former than the latter. This is good logic if the *cost* of sales at 50 percent is not greater than the extra cost of handling at 25 percent. On the other hand the demand for the former may be so relatively small that a large profit is necessary. The important point is, not to convey an impression of expensiveness as well as quality. If the commodity is designed for the masses, a quality basis may not be effective.

Utility is preferred as a basis by some because it is virtually an appeal to a practical or comfort giving instinct rather than to a vanity. The use of a commodity resulting from such an appeal has a tendency to create habits which may dominate the individual. There are many ways in which utility can be employed as the basis—more than are generally realized at first. Nearly every commodity possesses more utilities than are claimed for it. The oversight is due to the producer's or the advertising man's ignorance upon this point. Many commodities possess more utilities than are expected or demanded of them. If a utility is to be the basis, the practitioner should be sure that he knows all of them and understands the full extent of each utility.

Price might be termed the most popular basis. This is because the economic motive causes people to get the most pleasure with the least pain. Spending money is painful in varying degrees, according to the individual. People will sacrifice

quality or utility in the majority of cases if they can save money by doing so. But as indicated under the discussion of destructive competition price advertising has a tendency to react in an unsatisfactory manner. Advertisers who have been using the price basis and changed to quality or utility are quite apt to return again to the price basis. They feel the force of the economic motive and lack the will power to stick and overcome it.

The Scope of Advertising May Be National, Sectional or Local

One of the most perplexing problems that seems to confront the practitioner is, whether the advertising should be national or otherwise. This naturally must depend upon several conditions and should not be determined arbitrarily.

In the first place it will depend upon the present extensiveness and intensiveness of the producer's distribution and demand as well as the purpose of the advertising.

This in turn brings up the question of his selling organization and the points which will be brought out, as we progress, under the sub-head of Operation. If the selling organization is designed to coöperate with the advertising its scope can safely be the same in extent.

The character of the commodity itself will have a strong bearing on the matter. If its nature is such that it possesses utility only in certain localities it would be impractical to seek to sell it elsewhere. This is a point that is seldom considered. The practitioner should always bear in mind that the cost of advertising a commodity in a locality is contingent upon the commodity's utility in that locality.

The intensity and quality of competition in different localities is also an important factor. If, for example, the country were divided into six districts, and there was strong, meritorious competition in three of them, the cost of advertising in these three districts might offset entirely the profits derived from the other three.

The financial condition of the producer is also a most important consideration. If he is unable to appropriate sufficient funds to cover the entire country effectively, then, the scope of the advertising should be restricted to such an area as can be covered effectively.

The Object of Advertising May Be to Produce Immediate or Ultimate Results

Whether the advertising should be designed for immediate or ultimate results is an important consideration. As a rule most advertising is expected to produce results at once. Sometimes this expectation is logical, generally it is not.

If a producer has to meet strongly entrenched, meritorious competition it will naturally take him longer than where competition is relatively weak. In such a case it is a question of a long hard fight. If he stops too quick he loses his investment. Many advertisers do this either because they lack nerve or have not been properly informed in the beginning.

The time in which results can logically be expected will also depend upon the nature of the commodity and the frequency with which it is purchased. A manufacturer of some house-furnishing article cannot expect people to dispose of their furniture or other things the very minute they may feel a desire for his products. Some may do so, but the majority will wait until they can dispose of their present goods to advantage or until they get a little more service out of them.

The matter of existing custom or habit is also a contingency. If it is customary or habitual for people to do a given thing in a certain way, they will not respond to the new stimuli until a new state of mind has been developed. This may take a longer or shorter time according to the utility of the commodity in question and whether it requires a change from one class to another or only from one brand to another.

The financial element plays an important part in this consideration also. If the appropriation is not sufficient to offset

competitive advertising, the scope of the advertising is not only limited but its effectiveness is mitigated to some extent by the greater force.

The Utility of Advertising May Be Related or Unrelated to Other Products

A manufacturer may wish to advertise a specific commodity without reference to any others which he produces. Sometimes this is a good policy—at other times it is a waste of energy. If a commodity has to stand upon its own merits its sale must cover its own selling cost. Whether this is possible or not depends upon competitive conditions and the extent of the line in question.

However, if the commodity in question is backed by a “line” of related meritorious products, the advertiser can afford to lose money upon the advertised product because it can be used as a leader with which to create a demand for the balance of the products in the line.

Recently manufacturers have been finding it profitable to advertise the entire line, referring to it as a branded class of commodities. For instance Talcum powder represents a class of commodities. So does perfumery and kindred articles. Some manufacturers will seek to overcome the class idea in each case by correlating them in a more general branded class known as toilet articles.

When this method is employed the process may consist of designating specifically each article comprising the line. Sometimes it may be a strong play upon the name or trade mark which is borne by the entire line. Which method is best will depend upon the line. In some cases, where prices and styles and ingredients vary from time to time, this will be considered impractical. This is generally due to a lack of standardization of the commodities in question. The lack may exist from either the consumer's or the producer's viewpoint.

If the product in question is unrelated to any others produced by the manufacturer it is obviously impossible to rely upon support of that kind. The same condition applies if the commodity is the only product made by the advertiser.

Generally speaking the advertiser of a "line" of products has a distinct advantage over one who makes but a single product. This is especially true if some of the line are what is known as by-products.

However, the process of fixating the consumer's mind upon an entire line will take a longer time than accomplishing the same result with one product.

The Operation of Advertising May Be Coöperative or Separate from the Selling Organization

Whether the advertising will coöperate with or work independently of the selling organization will depend upon the attitude of its members. If they feel that advertising is going to rob them of credit or earnings they will not only oppose the advertising but employ every possible means to discredit it.

It frequently happens that a going concern contemplates advertising. If the business is entirely the result of the selling organization's efforts the manufacturer will think a long time before trying to force his salesmen to coöperate with his advertising, and will forego the prospective but undemonstrated benefits for the certainty.

When such a condition exists it may be possible to select some sections as are not at present reached by the selling organization. By confining the advertising efforts to such localities and building up a specially trained selling organization, it may be possible to demonstrate the effectiveness of advertising without subjecting it to a destructive influence.

The salesman's main objection to advertising is generally the fear that his commission will be reduced and also the probability of a more restricted territory. This fear is seemingly justified by experience because it so frequently occurs. The reduction of commission is based upon the theory that adver-

tising increases demand to such an extent that the salesman can take a much larger number of orders and make more money at the lower commission. The restriction of territory results from the belief that this increased demand requires a more intensive working of the territory. This reduces the amount of traveling necessary and the salesman's expenses are correspondingly lower.

Experience has proven that this transition actually occurs. Salesmen do a larger business in a restricted area and make more money on a lower commission. However, the advertiser errs when he acts upon the theory before it becomes a demonstrated fact. After it has been proven, he is in a position to act independently and so long as the salesmen are still better off they will acquiesce.

When the advertising is designed to coöperate with the selling organization such forms of coöperation should be thoroughly mapped out and checked up before the advertising campaign is actually launched. If the coöperation is purely theoretical it may prove absolutely impractical.

The Scheme of the Advertising May Be Regular or Irregular

The regular method of advertising is to create a demand for the commodity and offer it to the retailer at a price which gives him a fair profit. Whether or not this method will suffice depends upon the force of the demand and what other manufacturers are doing along the same lines.

Many manufacturers consider that this is the only legitimate way to do business and refuse to deviate from it in any way. Others make various kinds of propositions to the retailer with a view to emphasizing their products in his mind in a favorable manner.

These propositions range all the way from the furnishing of free advertising matter to the retailer to giving him free shares of stock or furnishing him with financial aid or actually assisting him in the conduct of his business. Such propositions will be effective to the extent to which they are bona fide in character.

It is frequently considered that they are made more for the purpose of deception. It is claimed that they are designed to confuse the retailer's mind upon the point of values. While this may be so in some instances, there is no reason why the retailer should not be receptive to an added purchase incentive just as a consumer would. Such an incentive may not have actual value as its strong point. It may consist of the pleasure which is given by the service of the incentive.

For instance the owning of stock in a dividend paying corporation and the feeling of actual relationship akin to proprietorship may appeal strongly to the retailer. Again advertising which is done for him by the manufacturer may give his business an added importance and reputation in his community which would be a great source of satisfaction.

In short such propositions have a tendency to stimulate dealer coöperation, and coöperation is a great waste eliminator.

The Periodicity of Advertising May Be Alternating, Continuous or Spasmodic

Whether advertising should be alternating, continuous or spasmodic will depend upon the character of the commodity and the financial condition of the advertiser.

Some commodities have a seasonable demand and can only be sold at such times. If they are advertised out of season the loss of profits on the small percentage of resulting business may offset entirely the profits earned in season. It is claimed by some that advertising done out of season educates the consumer to purchase in season. This may be so, but if the profit is not enormous or if there is much competition to meet, such education may cost more than it is worth. It is a poor theory to experiment upon under uncertain conditions.

Sometimes this plan is employed for the effect it will have upon the retailer in cases where the commodity is sold to him in advance of the season. But if the effect of such advertising is not in proportion to the extent of the selling efforts the plan is liable to be expensive.

If the commodity is one which is demanded continuously, it is logical to assume that it can be advertised continuously. Even in such cases there is liable to be a variation in the demand and it may be expedient to desist for a period. Before the Christmas season, for instance, many people economize in different ways in order to save money for gifts. Unless a commodity can be advertised as a gift at that time the cost of advertising may be out of proportion to the profit it produces.

Sometimes the manufacturer of a continuously demanded commodity cannot afford to advertise continuously. In such cases it is apparent that his appropriation should be employed at such times as the demand for his class of commodity is the greatest.

Spasmodic advertising is generally condemned without further discussion. There are, however, certain conditions under which it is justifiable. If some terrible accident occurs, such as a disastrous train wreck, the general state of mind is concentrated upon the thought of protection to self and family from such an occurrence.

At such a time some protective device or accident insurance could be profitably advertised.

The Expression of Advertising May Be General or Specific

Specific advertising refers to appeals which deal with the particular utilities of a given brand of commodity. General advertising refers to appeals which set forth the utilities of the commodity as a class.

Whether the advertising should be specific or general will depend upon the public's state of mind as regards such a commodity. If the demand for the class of commodity does not already exist it may be advisable to employ general advertising, as it is necessary to create the want and advertising to create both a want-demand and a brand-demand divides the consumer's thought and may therefore destroy the advertising's effectiveness.

However, when a general expression is employed the advertiser must be on the alert as regards competition. His creating the want will induce competition which will benefit from his advertising. As soon as this occurs his expression should be changed to specific advertising.

Specific advertising may be expressed in two ways: deductively or intuitively. When expressed deductively, the process is an analytical one showing just how and why the brand of commodity in question cannot fail to produce the desired result. The intuitive expression seeks to make the advertised brand a dominating stimulus for the want. By so doing it is believed that the want and the brand in question come to hold such a close association that the thought of either one produces an image of the other.

Whether the intuitive or the deductive expression should be employed will depend upon the construction of the commodity and the extent of class demand that exists for it. Where the construction is unstandardized or complicated a deductive expression may result in misrepresentation or confusion. If the producer's reputation is good and well known, the intuitive expression may be used. The correctness of the practitioner's conclusion upon this point will depend upon his ability to conceive and interpret the situation's requirements.

The Appropriation for Advertising May Be Specific or Deduced

Advertisers make their appropriations in various ways. Some set a fixed sum arbitrarily. Others apportion a certain percentage of the previous year's profits. Still others make it as the result of an analytical process.

When the appropriation is an arbitrary one the practitioner has no alternative but to take it as it is. However, he should determine whether or not it is adequate to produce the results expected. If it has to be spread out too thinly he should reduce the area of the operation to its logical extent or refuse to handle it.

When the appropriation is based upon a percentage of the profits the practitioner should determine whether or not the percentage is a logical one. This will depend to a great extent upon the advertiser's efficiency in other departments. It may develop that the percentage designated is too low or too high.

When the appropriation is the result of a deductive process, great care should be taken lest optimism dominate judgment or vice versa. If the appropriation is less than justified the advertiser's progress may be unnecessarily retarded. If it is higher it may put him out of business.

The method employed in such a case is generally to figure out how much a new customer would be worth or what the advertiser would be willing to pay for each one. The next step is to determine how many possible customers there are in the territory to be covered. If existing supply meets the demand does it do so satisfactorily? If not the volume of dissatisfied demand plus the possible creative demand equals the possible demand for the brand in question. There are other elements such as frequency of purchase, time required for distribution and similar points which should be considered. After logical deductions have been made for these considerations the advertiser considers that he knows about how many consumers he should be able to acquire in the first year. He then multiplies that number by the amount he is willing to pay for each new customer. This gives him the amount of his appropriation. Sometimes the result is logical, often it is not. It can be checked up by both the arbitrary and the percentage method. Much will depend, however, upon the kind and size of the advertising that he intends to do or that may be required.

Question Review

1. To what does Methods refer?
2. What is Interpretation?
3. What is the purpose of advertising?
4. When should advertising be designed to create distribution?

5. When should advertising be designed to create demand?
6. What may be the policy of advertising?
7. How should an independent policy be handled?
8. How should a dependent policy be handled?
9. What may be the basis of advertising?
10. When should the price basis be employed?
11. When should the quality basis be employed?
12. When should the utility basis be employed?
13. What may be the scope of advertising?
14. When should the scope be national?
15. When should the scope be local?
16. What may be the object of advertising?
17. When should the object be immediate results?
18. When should the object be ultimate results?
19. What may be the utility of advertising?
20. What is the benefit of related advertising?
21. What may be the operation of advertising?
22. What should be done when it is coöperative?
23. What plan may be employed when it is separate?
24. What may be the scheme of advertising?
25. What is a regular scheme?
26. What is an irregular scheme?
27. What may be the periodicity of advertising?
28. When should it be alternative?
29. When should it be spasmodic?
30. When should it be continuous?
31. What may be the expression of advertising?
32. What is a general expression?
33. What is a specific expression?
34. What is a deductive expression?
35. What is an intuitive expression?
36. What may an advertising appropriation be?
37. What is a specific appropriation?
38. What is a deduced appropriation?

CHAPTER II

CONSTRUCTION

An advertisement is a unit of appeal designed to create or stimulate the desire for a specific brand or a class of commodities. Any unit of appeal may consist of one or more expressions. Each component expression should constitute an incentive designed to cause or incite an immediate or future definite mental or physical act.

The adequacy of a unit of appeal is dependent upon the value of its component incentives. The value of an incentive depends upon whether its use is based upon knowledge or opinion. Incentives based upon knowledge are practical incentives, while those based upon opinions are hypothetical and their value is dependent upon the judgment of their creator.

The creating and arrangement of incentives comprising a unit of appeal is referred to as the Construction of an appeal and is considered under three main or general classifications, i.e., those of Form, Character and Structure.

The Form of an appeal refers to the manner or condition in which it is presented. The Character of an appeal refers to the psychological process involved. The Structure of an appeal refers to the relationship which the component incentives bear to each other.

There Are Three Forms of Advertising Appeal, Affirmative, Demonstrative and Suggestive

The word advertisement is derived from the Latin word, *Advertere*, which means to inform or make known. If you present a written statement or series of statements, that is one form of appeal. If you present the commodity itself, that is

another form of appeal. If you present something designed simply to remind or create a favorable sentiment toward the commodity, it is still another form of appeal.

While there are certain basic principles underlying the construction of all forms of appeal, each form differs essentially from the others in many ways that require specific consideration.

Each form of appeal also has its particular value and when employed appropriately it will be effective. To accomplish this result, however, it is essential that the practitioner possess an understanding of the function of each form and the conditions under which it may be employed to practical advantage.

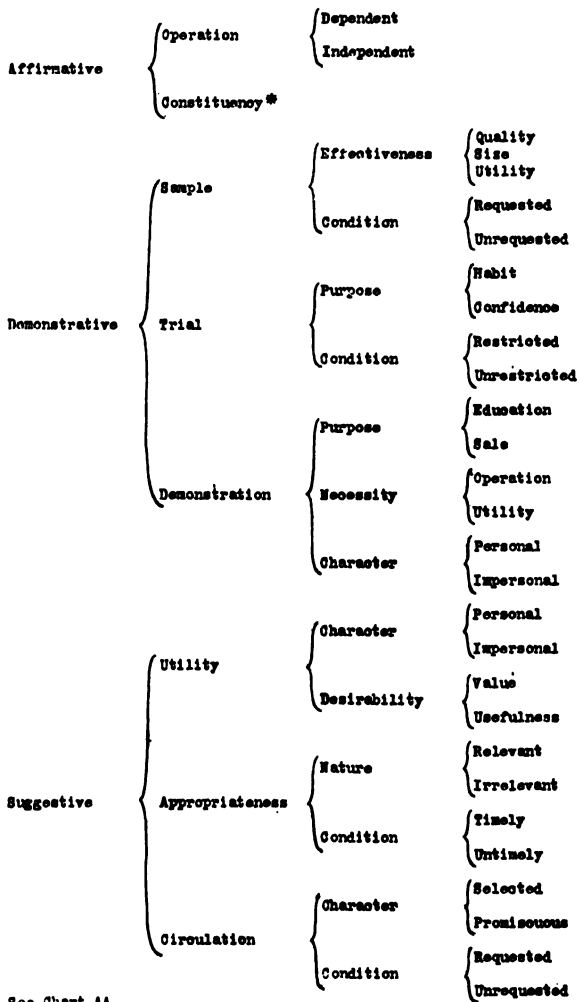
An Affirmative Appeal is One Designed to Create Impressions as to the Utility of a Commodity

The purchase of a commodity is dependent upon the prospect's impressions as to its utility. If the sum of these impressions produces a conclusion that the effort required to purchase it is less painful than the inconvenience of doing without it, the want for it becomes the dominant motive and will be satisfied by a purchase.

The facility with which this result will be accomplished depends upon the quality of the affirmations or assertions made in behalf of the commodity. This is true whether the affirmations are made in newspaper or magazine ads, on car cards, billboards, in catalogs, upon labels or in any other way.

The important point to be considered is that their only utility lies in creating hypothetical impressions or assumptions and per se cannot give the consumer an absolute knowledge. Therefore, if the impressions created by this form of appeal are not in accordance with the actual conditions, such appeals will lack in utility proportionately. If related selling efforts are based upon the anticipated results of such appeals the waste will be excessive and the disappointment keen.

CHART A
FORM OF APPEAL



* See Chart AA

An affirmative appeal may create an initial demand, but it will not sustain it. Failure to recognize this fact is the beginning of disaster. The importance of this is all the more important when you consider that an affirmative appeal possesses no other utility than that of an appeal. If it fails to fulfill its purpose there is no comeback of any kind to help reduce the loss. It possesses no sale or exchange value. The money invested cannot be recovered.

An Affirmative Appeal is Considered from Two Viewpoints: Operation and Constituency

The operation of an appeal may be Dependent or Independent. By this is meant that the appeal may depend for its final utility upon other appeals of the same form or upon other appeals of different forms. On the other hand, it may be designed to produce the desired result unaided, as in the case of mail order advertising.

Whether an appeal should be designed to operate dependently or independently will depend upon the commodity in question as well as trade and competitive conditions. It frequently occurs that an appeal is expected to operate independently when it is not in reality designed to do so. There are some conditions under which an independent appeal cannot possibly be effective.

A specific form of affirmation may operate independently in the case of one commodity and be ineffective when applied to another. A conclusion upon this point requires a most careful analysis of all related conditions.

When an appeal is designed to operate dependently, its success is contingent upon the effectiveness and relativeness of the other appeals or forms of appeal upon which it is dependent. The failure to recognize this fact is responsible for much waste in selling effort.

The Constituency of an Appeal Refers to its Component Incentives

Under Psychological Conditions it was stated that an advertisement should contain four forms of stimuli, i. e., Attention, Interest, Desire and Action. While this statement covered the situation in a general way, a further analysis will be helpful (see chart on following page).

Attention incentives should be considered from three viewpoints—Nature, Strength and Fuseability.

The Nature of an attention incentive refers to whether it should be designed to create either Voluntary, Involuntary or Spontaneous attention. The basis for a conclusion upon this point was also discussed under Psychological Conditions.

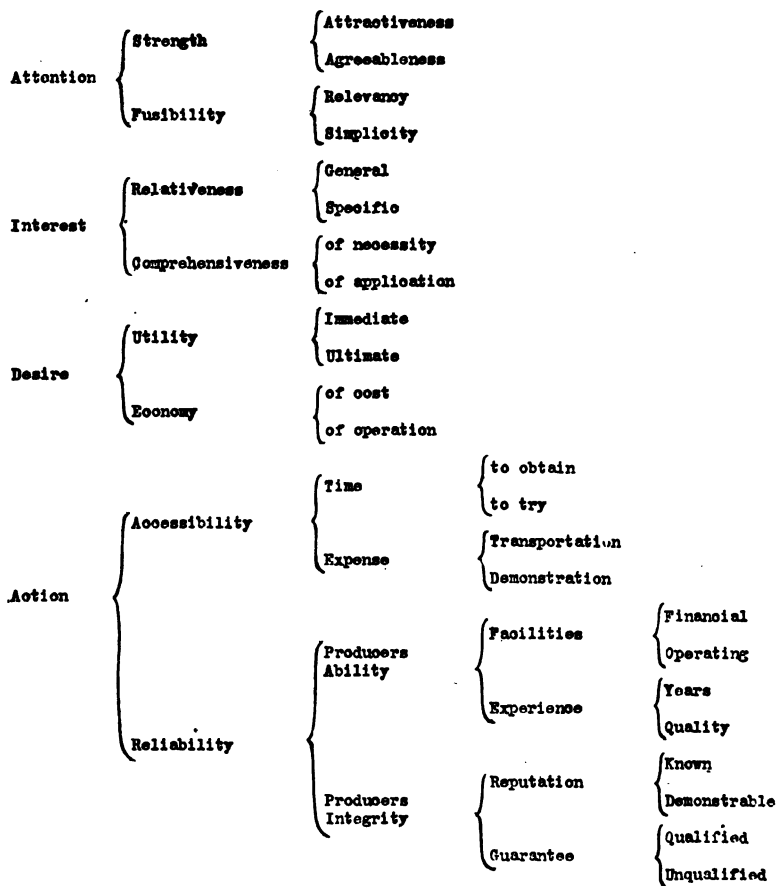
The Strength of an attention incentive refers to its Attractiveness and Agreeableness. Attractiveness is its power of arresting attention or temporarily stopping the mental activities of the prospect. The Agreeableness refers to its power to draw the prospect's thoughts closer to the subject of the appeal by producing a pleasing nervous response. It may be said that there are some things to which reference cannot be made in an agreeable manner. While this is true, it is also true that they can be made in the least disagreeable manner possible and in addition become really agreeable by suggesting a way to prevent the prospect's being subjected to the disagreeable condition.

The Fuseability of an attention incentive refers to its Relevancy and Simplicity. By Relevancy is meant that it must be of such a character that it will not lead the prospect's thought away from the subject of the ad. By Simplicity is meant the ease with which the prospect's mental process may comprehend the incentive and progress without requiring any great amount of Will-effort.

The Interest value of an incentive depends upon its Relativeness and Comprehensiveness.

Relativeness refers to the manner of making apparent the necessity for the commodity as the result of its relationship to

CHART AA
INCENTIVES.



the general or prevailing custom resulting in the want which the commodity is designed to meet. It may also refer to the necessity for the commodity as it relates to the specific want responsible for the consumer's habit resulting from the custom.

Comprehensiveness refers to the completeness of the manner in which the necessity for the commodity is demonstrated. It also refers to the completeness of the impression conveyed as to how the commodity meets the requirement of that necessity.

Desire incentives are those which clearly define the utility and economy of the commodity.

Utility indicates whether the satisfaction will be an immediate or an ultimate one and demonstrates the importance of insuring that satisfaction. Economy minimizes the pain of exchanging some equivalent for the commodity in question, and in some cases may demonstrate the economy of operating or maintaining the commodity.

Action incentives are considered from two general viewpoints, i. e., Accessibility and Reliability.

After Interest and Desire have been achieved, the consumer may feel that the time and effort required to obtain or to prove the utility of the commodity may offset the anticipated pleasure. Some incentives may be employed to overcome this contingency. Also the expense of transporting it from seller to consumer may be unknown, resulting in a state of fear lest the cost be prohibitive. Again the failure of the commodity to meet the consumer's requirements might result in financial or other loss. The practicability of trying it might then be problematical. Incentives designed to overcome these uncertain states of mind would do much to stimulate action.

Evidences as to the producer's reliability are also strong action incentives. This may be shown in one or both of two ways. First as to his ability resulting from his facilities either financial or productive, as well as his experience in producing desirable quality in sufficient quantities to make satisfactory delivery a matter of assurance.

The producer's integrity resulting from a known or demonstrable reputation will be a strong influence. If the goods are guaranteed, the effect of such guarantee will be largely dependent upon whether it is a qualified or unqualified guarantee.

To just what extent all the degrees of these incentives should be embodied in an appeal is also a matter of analysis. Some advertising practitioners would need volumes of space to give them all consideration. Others would require but little space in which to cover them all effectively. Much will depend upon the ingenuity of the practitioner.

Experience will develop conditions where nearly all of these incentives should be employed while in other cases only a few are essential. An intelligent determination of such requirements can only result from a thorough knowledge of the commodity's status.

A Demonstrative Appeal is One Which Gives Conclusive Proof as to the Utility of a Commodity

As conclusive proof constitutes absolute knowledge, a Demonstrative appeal must be one which enables the prospect to personally try or observe the effect which a commodity will produce. Usually a Demonstrative appeal is dependent upon some other form of appeal for its full utility.

There are three main general forms of Demonstrative appeal, i. e., Sample, Trial and Demonstration. While each of these forms bears some points of similarity to the others, each is distinctive in many ways and their utility is dependent, to a great extent, upon the manner in which their distinctive points are emphasized.

The primary function of the Sample is to enable the prospect to personally observe the quality or effect of the commodity. While this may necessitate an actual trial on the part of the consumer, the extent of such a trial is not sufficient to assure conviction as to the permanent utility of the commodity.

The effectiveness of the Sample will depend greatly upon whether it is a requested or an unrequested sample. If a prospect is sufficiently interested in a commodity to request a sample, it will generally receive more careful consideration than one which is sent without request. Of course much will depend upon the conditions under which the sample is delivered and the character of such matter as may accompany it. The character of the want which the commodity is designed to fill is another important consideration as well as the class of people to whom it is delivered. Some people will try any kind of medicinal sample—but this does not necessarily make them good prospects.

One method which has been employed successfully in connection with unrequested sampling is to employ some extensive form of affirmative appeal in the location where the sampling is being done. If such appeals are effective in producing a receptive mental state preceding the delivery of the sample, its reception may be equal, or nearly so, to that of a requested sample.

Some people consider that unrequested sampling is better than requested sampling because the cost of delivery per sample is considerably lower and the chances for its utility becoming known comparatively greater, from a quantity standpoint. Others consider that a request indicates a degree of interest which is more liable to result in future business and is therefore worth more. This will depend to a great extent upon whether the request is stimulated by a desire to get something free or to really learn of the commodity's utility. To assure this point some producers require a nominal remittance to be sent with the request.

The purpose of a Trial is primarily to create a habit on the part of the consumer. The longer the trial and the greater the domination of the new habit, the more certain is the continuation of the desire.

Another Function of the Trial, is the creating of confidence on the part of the prospect. This is true more or less of each form of Demonstrative appeal, but is probably stronger in the case of a trial because the prospect's mind is not subjected to any directing influence.

When the operation or use of the commodity is a simple matter, and its utility readily apparent, a trial should be effective. However, there are many cases in which it is impractical because the trial of the commodity by one person would prevent its being subsequently sold to any other consumer.

The effectiveness of a Trial is also dependent upon whether such trial is restricted or unrestricted. Every restriction which is made in such a connection has a tendency to arouse suspicion as to the producer's integrity or the actual utility of the commodity. Any explanations or directions for the use of the commodity under such circumstances should be couched in such language as to make them above suspicion.

A Demonstration refers to that form of demonstrative appeal wherein the utility of the commodity is delineated either by a representative of the producer or in some other manner and its utility conclusively proven. The scope of a demonstration ranges all the way from the simple purpose of education alone to the specific endeavor to effect a sale.

When a new brand of commodity is produced, which has to meet strong competition, a demonstration in a store or otherwise introduces the elements of personality, giving it an unquestioned advantage over competitive goods. This is appreciated by producers of foodstuffs and toilet preparations.

When a new class of commodity is produced, it may be necessary to demonstrate its utility or the importance of the new want. This is particularly true where the utility is of an intangible quality. A producer may state that an adding machine gives many advantages but the statements will not be half so convincing as a demonstration.

When the operation of a commodity is more or less complicated, it may require a demonstration to prove its utility. The fact that the commodity is unknown to the consumer, his consequent clumsiness, may make him feel that the effort required to master the operation will require a greater effort than the benefit seems to warrant. However, if a skilled operator indicates how simply it may be operated and also some exceptional utility features, the anticipated pleasure may offset the immediate pain. This is especially true in cases where the lack of necessary operating skill may result in injury to the commodity or its operator.

The Demonstrations referred to thus far are all personal demonstrations. That is to say that the commodity's utility has been personally demonstrated by an individual. There are some forms of Demonstration which are entirely impersonal. In such cases the commodity's utility is shown by exposing its construction, either by showing the parts separately or by dividing it in some manner that will display its construction. This is used sometimes to show either the qualities of the component parts or the efficiency of their operation. Demonstrations of some shoe producers will illustrate the former while the latter has been exemplified in many ways by machinery producers.

Impersonal demonstrations are sometimes comparative. In such cases a similar display is made of both the producer's and some competitor's commodity. When such a demonstration is designed merely to indicate efficiency of operation, a model or reduced replica of the actual commodity is employed. There are many conditions under which this is a necessity. Such a demonstration may be a working or stationary one.

The value of a demonstration is dependent upon whether it is a fair or unfair one. It frequently happens that the zeal of the demonstrator misleads the consumer to a point which is equivalent to misrepresentation. Because of this the com-

modity's utility appears greater in one way or another than it really is. The consumer is naturally disappointed and not only does not continue to demand the commodity but frequently condemns it to friends. An unfair demonstration obviously frustrates its purpose.

A Suggestive Appeal is One Which Possesses Some Utility in Addition to Constituting an Appeal

This form of appeal involves the countless forms of novelties and specialties which are employed for advertising purposes. It may consist of anything from an inexpensive blotter or calendar to some high priced article. During recent years this form of appeal has come to occupy an important place, both in point of utility and expenditure, it being estimated that upward of one hundred million dollars are spent for this form of appeal every year in the United States.

The essential element of a Suggestive Appeal is that it possesses some attributes which make it desirable of itself so that the consumer will retain it for some time, thus making it a continuous reminder of the commodity which it is designed to advertise.

Whatever such an appeal consists of, its value depends upon three general considerations: 1st, its utility; 2nd, its appropriateness; 3rd, its circulation.

The considerations of such an appeal's utility are much the same as those of any commodity and can be judged by the same principle discussed in three previous sections of this work under the heading of Commodities. The important point to consider is that in the cases of many of such articles that are frequently used the utility is a fancied rather than a real one.

The appropriateness of a Suggestive Appeal refers to such qualities of utility as it possesses that make it useful at such times or under conditions when the consumer would be most likely to think or have need for the commodity it advertises.

The circulation of a Suggestive Appeal refers to the character of prospects to whom it is distributed. When the list of recipients is selected with a view to their not only being prospective customers from the nature of their business, but also because of some additional and specific reasons, the results will naturally be greater than if such articles are sent out promiscuously.

The conditions under which they are distributed is also an important consideration. The suggestions made in reference to the manner of distributing Samples will apply in such cases.

The suggestions given as to all three Forms of Appeals, whether Affirmative, Demonstrative or Suggestive, will be found to apply more or less generally, whether they are directed at the retailer or at the consumer.

Question Review

1. Of what may an advertisement consist?
2. What should each expression constitute?
3. What are incentives based upon knowledge?
4. What are incentives based upon opinions?
5. To what does construction refer?
6. Under what three heads is it considered?
7. To what does Form refer?
8. To what does Character refer?
9. To what does Structure refer?
10. What are the three Forms of Appeals?
11. What is an Affirmative appeal?
12. From what two viewpoints is an Affirmative appeal?
13. What may be the Operating of an appeal?
14. What is a Dependent Appeal?
15. What is an Independent Appeal?
16. To what does the Constituency of an appeal refer?
17. From what three viewpoints should Attention incentives be considered?

18. From what two viewpoints should Interest incentives be considered?

19. From what two viewpoints should Desire incentives be considered?

20. From what two viewpoints should Action incentives be considered?

21. What is a Demonstrative appeal?

22. What are the three main forms of Demonstrative appeal?

23. Upon what is the value of a Sample contingent?

24. Upon what is the value of a Trial contingent?

25. Under what conditions is a Demonstration of value?

26. What is the distinction between a personal and an impersonal demonstration?

27. Upon what is the value of a Demonstration contingent?

28. Upon what is the value of a Suggestive appeal contingent?

CHAPTER III

CONSTRUCTION (*Continued*)

In the last chapter we discussed the FORM of an appeal. In this chapter we will discuss the CHARACTER of an appeal. Character refers to the psychological principles which produce the desired physiological response.

A human being is simply a material machine which is designed to be operated by an internal force. This force is called an ego by some, a spirit by others and by various other names. Each machine is also affected by external forces. The extent of such effects is dependent upon the degree to which the machine is under control by its operator.

Some human machines are under control, others are not. The former govern their response to stimuli; the latter do not, they are like corks being tossed about thither and yon by the tides and the waves. Between these two extremes is a great majority of human machines that are partly controlled. With many of these the response to some stimuli is governed, while the response to other stimuli is purely reflex. With others of this majority the response to most stimuli is partly controlled but never wholly so.

Psychology, by experiment and research, has established many truths in this connection which enable the younger man to work with a degree of knowledge which would otherwise take years of experience and observation to acquire. The manner in which these elements are to be considered in the construction of an advertisement comprises the character of the appeal.

**The Character of an Appeal is Considered from Three Viewpoints,
i.e., Process, Action and Basis**

The process of an appeal refers to the kind of nervous activity produced by the stimuli. Under "Physiological Conditions" we learned that there were three kinds of nervous activities, i. e., Reflex, Simple and Complex. The kind of a Nervous Activity and the form of Mental Process resulting depends upon the character of the stimulus. The character of a stimulus is given its status by the psychologist according to the degree to which the average individual is able or unable to control his response to it.

The Action of an appeal refers to the manner in which the nervous activity produced, acts upon the mental processing of the individual. Some forms of stimuli have a tendency to stimulate extensive mental processing while other forms of stimuli are likely to discourage and even prevent mental activities.

The Basis of an appeal refers to the kind of argument by which is conveyed the impression as to the manner in which the commodity will satisfy a want. In other words, it refers to the conclusion as to what viewpoint of the commodity's utility will be most attractive to the prospect.

The Process of an Appeal May be Impulsive or Deliberative

Under Psychological Conditions we discussed two forms of mental processes, i. e., Impulsive and Deliberative. An advertisement is an appeal designed to stimulate a mental process which will result in a desired response. It becomes evident, therefore, that the stimuli comprising the appeal must be selected with due consideration as to the form of mental Process which should be most effective under the circumstances.

The first consideration in this connection is a knowledge of the Character of Stimuli which will produce either form of nervous process. The next essential is the decision as to which

CHART B

CHARACTER OF APPEAL

| | | | |
|---------|--------------|--------------|---------------|
| Process | Impulsive | Instincts | Primitive |
| | | Emotions | Resultant |
| | Deliberative | Intellect | Appetites |
| | | Knowledge | Desires |
| Action | Suggestive | Concrete | Judgment |
| | | Abstract | Imagination |
| | Dominant | Mandatory | Experience |
| | | | Belief |
| | | Assertative | Convenience |
| | | | Usefulness |
| Basis | Principle | Construction | Relevant |
| | | Operation | Irrelevant |
| | Purpose | Utility | Argumentative |
| | | | Reiterative |
| | | Satisfaction | Argumentative |
| | | | Reiterative |

form of process, will be most effective for the advertising of the commodity in question. This will depend upon the natural mental tendencies of the class appealed to and to the extent and character of the previous mental activities of the average individual, (comprising that class), regarding the want which the commodity is designed to satisfy.

For instance, if the want is strong enough to be equivalent to pain, or if the want is for any reason a dominant one, judgment is not liable to be employed and an impulsive appeal will be effective. If, however, the initial response should not produce the desired anticipated satisfaction, a competitor might have to contend with doubts raised in the consumer's mind resulting from the previous dissatisfaction. Therefore, the individual's previous mental activities might make a Deliberative Appeal necessary.

There are numerous conditions where a decision, as to which form of appeal will be most effective, should only be arrived at after the most careful consideration of all phases of the situation.

Generally speaking, however, an impulsive appeal should be employed in the advertising of commodities which are easy of access; require but small or simplified investment; slight effort to procure; or which from their nature are made use of generally and frequently. A Deliberative Appeal will be effective usually in the advertising of a commodity which is new; expensive; inaccessible; or required but occasionally.

In this connection it should be remembered that under physiological conditions it was found that there were three forms of nervous activities, i. e., reflex, simple and complex, and that all forms of nervous activities may be reciprocal. Thus an appeal designed to produce an impulsive mental process may create an image which of itself might constitute either reflex or deliberative stimuli of a positive or a negative character. Thus while the conclusion as to what stimuli should be employed might be a correct one, the interpretation

as to what constitutes the desired stimuli, or the execution of it, may be erroneous and apparently disprove the law.

An Impulsive Appeal Is One Which Is Made to the Instincts or to the Emotions

Impulsive acts being unconscious, unreasoning, or involuntary in their nature are naturally confined almost exclusively to such as are controlled by the ganglionic nervous system and are therefore purely reflex in character. All reflexes are simply natural reactions to the nervous force created by the effect of the stimuli upon a sense organ just the same as an engine wheel revolves in response to the steam force created by the application of heat to water.

When a purely nervous reaction is a simple or direct one it is designated as an instinctive act. When it is a complicated or reciprocal one it is called an emotional act. A sudden movement in front of the eye will cause a blinking of the eyelid. This response is simple and direct and therefore instinctive. Say something insulting to a person and you create a negative state of mind which becomes reciprocally reflex stimuli and the response is an emotional one.

Some instincts are primitive while others are resultant. Reproduction of species, self-preservation, love, harmony and all normal tendencies are primitive instincts. When any one or series of primitive instincts constitute uncontrolled or over-developed nervous reflexes, in other words unnatural, the tendency may be considered as a resultant instinct. Thus sports of various kinds are all more or less the result of the primitive instinct of self-preservation.

Emotional acts comprehend in a general way such reflex responses to stimuli as are positive or negative to appetites or desires. While appetites and desires may seem at first to be merely resultant instincts, they are really states of mind. Thus the appeal to the employee to make himself a high-salaried official causes him to stop and attend to the stimuli only

PLATE A

"My Baby"

*Bliss the little treasure,
So it is a young lady
before we know it. —
Mother says that you can
never be too careful and
clean. Baby's destiny
should not be carefully
guarded — Mother's
girling complexion re-
sulted by the use of
Palmolive.*

**How Palm and Olive Oils Have
Made PALMOLIVE Unlike Any Other Soap**

The ancient Orientals have taught a mighty lesson on the care of the skin. For ages past the famous beauties of the Orient have possessed marvelous complexions, as a result of using Palm and Olive Oil.

PALMOLIVE Soap owes its splendid cleansing and beautifying properties to this secret of the Orient. Palmolive is, therefore, quite different from all others. It is more than a mere soap.

Palmolive Does More Than These
Olive Oil Soap Do

It is softer to the touch than ordinary soap, and it leaves the skin so soft and smooth that you have no need of any other skin cream.

Palmolive Cream
It is the most perfect skin cream yet made. It is so rich and creamy that it leaves the skin so soft and smooth that you have no need of any other skin cream.

**Fresh Green Hair
From Olive Oil**
Palmolive is perfect for hair. It keeps the hair soft and smooth, and it prevents the hair from falling out. It is the best hair cream yet made.

Palmolive Cleans Hard Water
Palmolive is the only soap that is not injured by hard water. It is the only soap that is not injured by hard water.

Palmolive Leaves Lingerie
When you try Palmolive you will be delighted that it is so soft. It is the only soap that is not injured by hard water.

Palmolive is the only soap that is not injured by hard water.

**THE N. K. PALMOLIVE COMPANY
CHICAGO**

"HAVE YOU A LITTLE 'FAIRY' IN YOUR HOME?"

White and Pure

Purity is the first requisite in a toilet and bath soap. Fairy soap is pure because it is made from choice edible products. Besides, its floating oval cake is a distinct advantage over other white toilet soaps. Costs but 5c, but you cannot get better soap at any price.

**THE N. K. PALMOLIVE COMPANY
CHICAGO**

An Appeal to the Maternal Instinct

Are YOUR Hands Tied?

Do you want to get on—SUCCEED—**FAST** in money? Is there a certain line of work you think you could do better in—**if you only had the training?** Or a certain kind of position you would like to hold—**only you fear your "hands are tied"?**

Don't let your ambition die! Don't think your hands are tied! Don't think that you can't struggle out for advancement and success—that you do not dare, because you must take out your daily bread—just you must go on in the same old rut as long as you live.

Get out of the crowd of ordinary men—men whose each day's work puts them so far ahead—for whom the future has no promise.

Start your advancement NOW—mark the coupon with a cross opposite the occupation you prefer, mail it to-day, and let the International Correspondence Schools give you full information on how they can help you to succeed as you have thousands of others—costs but postage—you incur no obligation.

Simply letter L. C. S. tell you how they can assist you to become an EXPERT in your chosen work—in your spare time—at home—no matter when you live or how little you now earn.

Your hands are not tied. Victory is within your reach—you can succeed.

THE AMERICAN MAGAZINE

THIS Coupon is for YOU

INTERNATIONAL CORRESPONDENCE SCHOOLS

Yale & Towne Mfg. Co.

The Comfort of Security

THE comfort of security is the certainty that when you close your door—the lock will spring shut and that no one can open that door with any key but the right one.

Add a Yale Night Latch to your doors no matter what other lock is there already. You can put it on yourself.

This is a picture of the Yale Night Latch. It costs from \$1.00 upwards, other for heavy doors and types.

Yale & Towne Mfg. Co.

Yale

An Appeal to Ambition

An Appeal to Self Protection

Character of Appeal—Impulsives (see page 208)



if he has had previous thoughts which have produced a desire for such accomplishment or dissatisfaction with his present condition.

Appetites, however, are more physical than mental and comprehend to such internal or external cravings or tastes which are practically dominant habits. The craving for candy, tobacco, liquors and similar tendencies toward over-indulgence are illustrations of appetites while those things for which one hopes or aspires comprise his desires.

A properly interpreted and executed Instinctive Impulsive Appeal will generally be more effective than a similarly constructed Emotional Impulsive Appeal. The nearer it comes to being a Primitive Instinct appeal the better. This is because the nervous activities induced by the former are more direct and simple than in the latter case.

A Deliberative Appeal Is One Which Is Made to the Individual's Intellect or Knowledge

While Intellect and Knowledge are more or less closely related and inter-dependent, there is a vital difference between the two. A person's intelligence is contingent upon his ability to comprehend and think quickly, while his knowledge depends upon the quantity and quality of his previous impressions. The degree of his intelligence depends upon the potentiality of his brain cells and the condition of his nervous system as well as the extent of co-ordination between the two. This is governed by his mode of living and certain inherent characteristics. A person's knowledge depends upon the development of his sense organs and the character of the stimuli presented to them. Many people possess unusually keen minds but very little knowledge. Others can recite facts with parrot-like precision in almost endless quantities but lack the ability to make use of their knowledge.

An appeal to Intellect may be made to the individual's Judgment or to his Imagination. An appeal to knowledge

may be made to Experience or Belief. A person's judgment may be mature or immature. His imagination may be stimulated by constructing a hypothesis which either suggests or creates images of the various elements of satisfaction, or reconstructs images from his memory area. A person's experience upon a subject may be complete or incomplete or his beliefs may be logical or illogical.

It is impossible to stipulate specifically just how or when any form of Impulsive or Deliberative appeal should be employed except as a general suggestion. However, a realization of the various forms and an appreciation of their functions will assist the practitioner in his conclusions because his judgment in the matter will more nearly approximate conscious effort.

The form of the appeal itself will be an important consideration inasmuch as in some cases conditions will only permit of the most condensed form of Impulsive appeal. When space and other conditions permit, however, it will be found effective if the attention incentives consist of Impulsive Stimuli with the Interest Desire and Action Incentives comprising varying qualities of both Impulsive and Deliberative stimuli and possibly ending with Impulsive Stimuli. This, however, is all a matter of interpretation.

The Action of an Appeal May be Suggestive or Dominant

Some people consider that the most effective method of influencing others is to bring them to a point of desire by means of suggestion. Others contend that better results can be achieved by dominating their prospect's mind. In the former case the prospect is led to a point where the response is one of desire while in the latter case the response is made as the result of belief, either in the existence of his want or the degree of satisfaction to be obtained.

When the action of an appeal is Suggestive its purpose is to make the prospect think or feel to a point where the response will follow as a natural sequence. When the action is Domi-

An Appeal to Experience

An Appeal to Efficiency

An Appeal to Economy

Character of Appeal—Deliberatives (see page 209)

nant its purpose is to arrest the thinking or feeling process and to precipitate action in the shortest possible time. When the action of an Impulsive or Deliberate appeal is Suggestive its interpretation will generally be a positive one, while the interpretation of a Dominant Impulsive Appeal will be negative.

Whether a Suggestive or Dominant Action will be most effective in producing an initial response will be dependent on the extent to which the habit or custom, which it is desired to stimulate or overcome, is a dominant one with the prospect. Whether the response will be continued depends upon the degree of satisfaction derived from the commodity.

A person may obey a command once, if it is given with sufficient force and apparent authority. However, most people object to being forced and will quite frequently forego pleasures when they realize that they are being dominated. On the other hand, suggestions which result in mental or nervous activities will cause people to desire and do things which are absolutely unnecessary or even destructive.

Suggestive Action May be Either Concrete or Abstract

Concrete suggestion stimulates mental or nervous activities by a series of definite and specific steps as to the how and why of a commodity's utility. These steps may be independent of or dependent on each other. For instance, one automobile advertiser devotes his entire ad. to suggesting the "riding" pleasure of his car. The tires, springs, structure, smooth running engine and other points are dealt with, all of which combine to insure this pleasure. Another automobile advertiser suggests concretely the satisfaction given by his car because of its comfort, low repair cost and low operating cost, all of which are independent of each other.

Abstract suggestion stimulates mental and nervous activities by indefinite steps or creating an impression of some intangible utility. For instance, a piano manufacturer adver-

tises that his make is the one used in the opera house, the inference being that its quality is the cause of this.

Abstract suggestion may be either relevant as in the case of the piano ad, or it may be irrelevant as in an ad of Quaker Oats which is chiefly occupied by a cut of the Quaker with the headline "What the Quaker stands for." Another notable illustration is that of the Flour advertiser—"Eventually, why not now?"—which could refer to death or salvation or anything which might happen to be in the reader's mind.

The distinction between Relevant and Irrelevant Abstract Suggestion, is that which confines the prospect's mental activities to the commodity being advertised and that which has a tendency to cause activities in other directions.

Dominant Action May Be Either Mandatory or Assertative

When the appeal is composed chiefly of an out and out command to respond in a specific manner, without giving reasons why such response is desirable, the action is a mandatory one. When it consists of simple statements as to the commodity's utility the Action is assertative. "Buy Jones' Bread," for instance, is Mandatory, while "Jones' Bread is Best" is Assertative. These illustrations do not, however, exemplify the highest types of either form of Dominant Action.

Mandatory Action may be positive as in the "Buy Jones' Bread" case or it may be negative as "Don't Eat Poor Bread." The effectiveness of either will depend to a great extent upon the treatment and correlated stimuli.

Assertative Action may be argumentative as "Wonderful Cure for Sore Hands" or "Best for Baby's Skin." It may also be reiterative, in which case the same point is demonstrated in several different ways.

The Basis of an Appeal May Be the Commodity's Principle or Purpose

In advertising some commodities it is necessary to state the how and why of its utility. In other cases the most effective appeal will be the statement as to what it will do. The

Cornmeal-toasties

**Any Time
O' Day**

Post Toasties

With cream and sugar or fruit
are wholesome and please the
palate.

Cup by of Indian corn,
cooked and toasted to an ap-
petizing golden brown.

Ready to serve direct from
the package.

A Minnesota woman writes:

"I use Post Toasties because they are liked by all my family,
making a convenient food to serve on any occasion."
"I use it for a breakfast food; then again with canned fruit or
 preserves, as a most delicious dessert for dinner or supper — each one
dishing yours."
"My experience is all who taste want more."

Post Toasties

"The Marmory Lingere"

Morning

Noon

Nights

Post Toasties are sold by leading Grocers, Confectioners, Bakeries, Etc., and
by the Post Toasties Company, Inc., Minneapolis, Minn.

Concrete Suggestion—Convenience

SYSTEM for SEPTEMBER ADVERTISING SECTION

How Good Packing Boosts the Sales

The proper use of packing is an extra inducement that influences the retailer to buy from you. Every thing that the buying agent, the clearest, safest and best appearing package in the line that sells.

H & D Corrugated Fiber Board Boxes

Try the best in the world for outside and inside shipping. They move a lot better for outside use than any other lighter when they pay the freight or express charges.

H & D boxes are made from better than average brand of super yellow pine pulps. They meet the Transportation Company's standard.

Another thing about H & D boxes is that they are made from the best quality material and are made so strong that they will carry as much weight as a solid box of equal size and weight and without a crack.

For further facts on corrugated boxes, write to:

The Hinde & Dauch Paper Co.
Sandusky, Ohio

For Canadian Trade, Address Toronto, Canada.

Removed, incorporated and discontinued the contract. As H & D boxes will stand a short time, and a well-planned a sturdy box to alter. The well-planned business. Your accurate air through this.

H & D boxes are made according to standard rules for more economical. For business - they will be better protected. They are made according to the rules that can be used in the case, and without any loss or loss.

Plans for H & D boxes are very precise and well-planned. They are made from good materials and are made to stand for years. They are made to stand for years.

Concrete Suggestion—Usefulness

EVERYBODY'S MAGAZINE




Your Telephone Horizon

The horizon of vision, the circle which bounds our sight, has not changed.

It is best observed at sea. Though the ships of today are larger than the ships of fifty years ago, you cannot see them until they come up over the edge of the world, fifteen or twenty miles away.

A generation ago the horizon of speech was very limited. When your grandfather was a young man, his voice could be heard on a still day for perhaps a mile. Even though he used a speaking trumpet, he could not be heard nearly so far as he could be seen.

Today all this has been changed. The telephone has vastly extended the horizon of speech.

* * *

What is true of one man is true of the whole public. In order to provide a telephone horizon for each member of the nation, the Bell System has been established.

* * *

**AMERICAN TELEPHONE AND TELEGRAPH COMPANY
AND ASSOCIATED COMPANIES**

Every Bell Telephone is the Center of the System.

Editorial questions to Everybody's Magazine, 107 West 40th Street, New York City.

Abstract Suggestion—Relevant

AMID the richness of
silken tapestry and
carved marble, where taste
is cultivated and common-
the best — there is found
unvarying appreciation of
Nabisco Sugar Wafers.

Whether the service be
simple or elaborate, this
glorious dessert confection
is always appropriate and
it always pleases.

*In tea and din-
dining parlors and in*

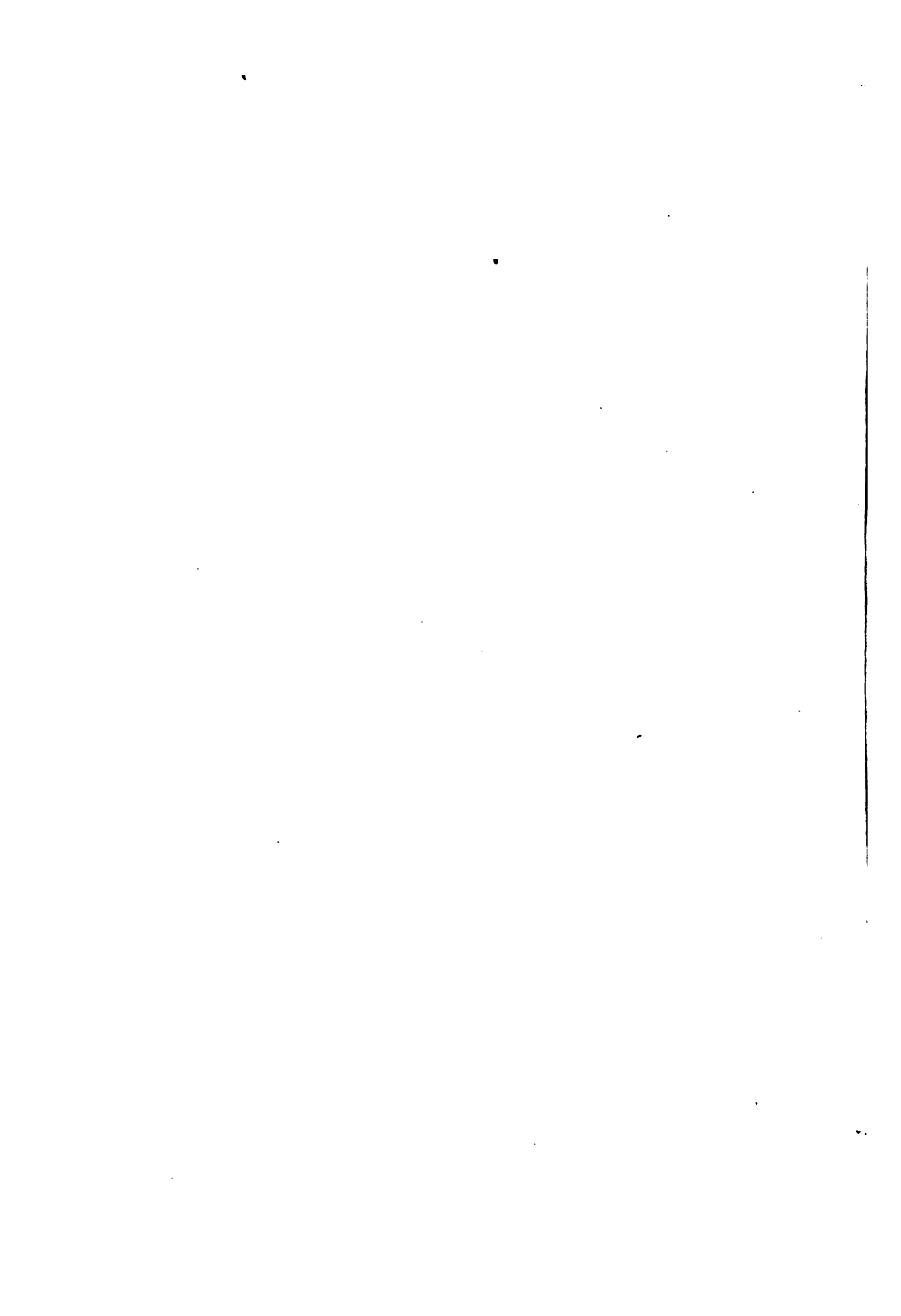


NABISCO
NATIONAL BISCUIT COMPANY
NEW YORK, N. Y.

CHOCOLATE, TOFFEE — and all other
kinds with a touch of it is perfect.

Abstract Suggestion—Irrelevant

Action of Appeal—Suggestive (see page 211)



reason for the first condition is that the demand for the class of commodity in question has reached a point where the consumer is able to analyze and determine the merits of competing commodities. In the second case the demand has not yet reached that stage or mayhap the cost of the commodity or the degree of its utility is not of sufficient importance to make such an analysis worth while.

Perhaps the structure of the commodity is such that would make it difficult to show how and why in an advertisement, therefore, the purpose of the appeal would be to create an opening for some related sales effort, as a salesman's call or a demonstration.

Whether the appeal should be based upon the Commodity's Principle or Purpose is a very important consideration. A decision upon this point will determine, to a large extent, the nature of the co-related selling efforts. Therefore, it should be reached only as the result of a most careful analysis of the situation's requirements.

This consideration is essential whether the process of the appeal is to be Impulsive or Deliberative, also whether its action is to be Suggestive or Dominant.

The Principle of an Appeal May Refer to Either the Commodity's Construction or Operation

An appeal based upon the commodity's Construction may involve an explanation of the manner in which it is made; the skill and facilities of its producers and the quality of the materials of which it is composed.

The phraseology employed may be technical in character if addressed to the expert or perfectly simple and readily understood by the average layman. The general impression prevails that it is impossible to describe a commodity's construction in specific terms which will interest and be understood by the layman. However, there have been notable instances

of where most intricate technical information has been conveyed by means of graphic illustration and simple language.

When an appeal is based upon the commodity's Operation the purpose may be to indicate its simplicity, convenience, economy or similiar features which constitute its more or less exclusive attributes.

In many instances it will be found advantageous to combine both the Construction and Operation as the basis of the appeal. In either event it is essential that every point made be delineated in such a manner that it is readily assimilated and easily understood.

The Purpose of an Appeal May Refer to the Commodity's Utility or Satisfaction

While satisfaction is an essential of utility it is a superlative degree. A commodity may possess utility and yet not give satisfaction due to the fact that the class it represents has not reached an adequate stage of development.

A commodity's utility may be stated in either a general or specific manner according to the character of the service it renders. In considering this point it will be well for the practitioner to review the discussion of these points given in the first section of this work under the three chapters on Commodities.

Creating an impression as to the satisfaction a commodity will give may be a definite or an indefinite proposition. Much will depend upon whether the service rendered is tangible or intangible. The consumer's existing as well as probable or possible state of mind is also an important consideration.

It will be found that in many cases it is necessary or advisable to cover all four points of Construction, Operation, Utility and Satisfaction. Every situation has its specific requirements. No rule can be made which will cover all advertising. Some commodities make all points possible arguments. Others present but slight opportunities on any of the points.



**Heinz Baked Beans are baked—
like pies or biscuits—in real ovens**

MADAM, you know the difference between *steaming* and *baking*. And you wouldn't undertake to cook any meat steaming in a sealed receptacle with no chance for the moisture to escape. You wouldn't call that baking. And it *isn't* baking.

The only way to really bake beans is to follow the method that made Boston Baked Beans famous. That means real baking in ovens under dry heat to bring out the full, rich flavor of the beans. And this we do in the Heinz Pure Food Kitchens—

There are four kinds of Heinz Baked Beans:
 Heinz Baked Beans with Pork and Tomato Sauce
 Heinz Plain Baked Pork and Beans (without
 Tomato Sauce)
 Heinz Vegetarian Baked Beans (without Pork)



And you gladly, willingly, pay more for Hertz "baked" beats in order to give you more quality and more real value for your money.

Try Henss Baked Beans and if you don't think they really are the best beans you have ever tasted, your grocer will return the purchase price.

H. J. Heinz Co.—57 Varieties
Member of Association for the Preservation of Foods in Cans

The Commodity's Construction



The Commodity's Operation

Basis of An Appeal—Principle (see page 213)

THE LITERARY DIGEST



"Holeproof"
Yarn

We pay an average of 78¢ per pound—the top market price—for the yarn used in Hosiery and More. We could buy two and a half times as much of common yarn for the same money. But ours is high Egyptian and has island long fibers cut in, so the very finest yarn obtainable.

We use the latest and best machines for the "Moderated" news and business

FAMOUS
Holeproof Hosiery
FOR MEN WOMEN AND CHILDREN

[illegible]

Holeproof Hosiery Co. 214 Fourth Street
Milwaukee, Wis.
Tampere Hosiery Co., S. A., City of Mexico, Agents for Mexican Republic

Are Your Hoses Insured?

The Commodity's Construction

BUILDING HELPS

The Way Paint Dries is Important

You know how kerosene and other similar oils dry when spread out in a film; they just evaporate. Some oils, on the other hand, scarcely dry at all; they stay soft and gummy.



A good paint will never dry hard and yet make an elastic film. Lead oil is the only oil, so far known, which is satisfactory in all respects for general coating and linings. But it must be pure. And right there is the big reason why we decided to put our limited set in sealed cans and live-glass cans—put it up absolutely pure, just as it is pressed from the flannel. We guarantee its purity with our "Doric mark," just as we do the purity of our white lead. When you buy



and have them used to ease the conditions of your backs at the time of painting, you have done all that anyone can do to ensure a satisfactory job. Nothing else quite equals "Dutch Lin Finish" made at order paint.

The utmost must be observed in painting to take measures

you deem that must big for protection against rough weather.

There is the legend here to paint red over blue. White lead paint walls and put on one of your exterior windows, here and there. That's the way the most elegant houses

Ask for "Painting Helps 603"

search and give the one who comes up to him and asks him. Their "Helix" records are made to last and a finished record weighs in at 1 1/2 lbs. and is covered with a clear plastic film which you may order to help the art of the record.

NATIONAL LEAD COMPANY

New York Boston Buffalo Chicago Cincinnati Cleveland San Francisco St. Louis

The Commodity's Operation

PLATE F

31 POPULAR ELECTRICITY FOR DECEMBER - Advertising Service



For Universal Service The Press and the Bell System

The power of the individual writer is multiplied by the printing press. In the same way the power of the individual telephone is multiplied by the Bell system. In both cases, increased usefulness comes from progress towards universal service.

By means of the press the knowledge and thoughts of writers are spread throughout the land, maintaining among all the people the common language and the mutual understanding which makes for national co-operation.

By means of the Bell system, each individual telephone becomes conversable with every other telephone and each unit in the nation is given a personal membership in the most highly developed system of communication that the world has ever seen.

The press prepares people for co-operation; the Bell telephone system enables them to really co-operate. The press educates people separately; the telephone enables them to act upon their mutual knowledge immediately and at any distance.

By co-operation with telegraph and cable systems, universal service for communication is being made international.

**AMERICAN TELEPHONE AND TELEGRAPH COMPANY
AND ASSOCIATED COMPANIES**

One Policy One System Universal Service

Utility—General

28 EVERYBODY'S MAGAZINE



Reduce Your Haulage Cost

ELECTRIC Commercial Vehicles are less expensive to operate than any other type of vehicle—and the cost is on the decrease. The operating cost of other types of vehicles is gradually increasing.

Electric Commercial Vehicles do not consume power when not in operation—they can be started and stopped almost instantly. There is no dangerous, time-wasting cranking—no shifting of gears—no back-firing.

The perfect simplicity of mechanical parts means fewer repairs, less attention—eliminates the need for elaborate repair tools. The perfect ease of control allows any intelligent home driver to run an Electric—no need to school a chauffeur into learning new routes.

(You require the Association's old plan, and interesting literature about Electric Commercial Vehicles. Write today.)

Public interest and prompt advantage both favor the Electric.

ELECTRIC VEHICLE ASSOCIATION OF AMERICA
BOSTON NEW YORK 124 W. 42nd St. CHICAGO

Satisfaction—Definite

Basis of the Appeal—Purpose (see page 214)

BUILDING HELPS



Speed Up Your Service With Western Electric Inter-phones

No operator—just push the button for the department wanted, and talk. That's all.

You can purchase Inter-phones from any of our offices or agents and have them installed by any reliable electrician at a cost from \$6.00 per station up, according to type used.

Write today for Booklet No. 8762

WESTERN ELECTRIC COMPANY
Manufacturers of the Bell Telephone System

EQUIPMENT FOR EVERY ELECTRICAL NEED

Utility—Specific

AUTOMOBILES—PARTS AND ACCESSORIES



In addition to saving power and wear with every revolution, the worm gear drive of the Pierce-Arrow Truck eliminates the necessity for the almost daily adjustments, repairs and lubrication required by other drives—and is backed by the makers with this guarantee:

The worm wheel and worm shaft, generally known as worm gear construction, employed in the Pierce-Arrow Truck, are warranted to fulfill their functions for one year from date of shipment under normal service.

PIERCE-ARROW

5 TON MOTOR TRUCKS

THE PIERCE-ARROW MOTOR CAR COMPANY, BUFFALO, N. Y.

Satisfaction—Indefinite

Question Review

1. What is a human body?
2. By what is it controlled?
3. By what is it affected?
4. From what three viewpoints is the character of an appeal considered?
5. To what does the Process of an appeal refer?
6. To what does the Action of an appeal refer?
7. To what does the Basis of an appeal refer?
8. What may the Process of an appeal be?
9. What is an Impulsive Appeal?
10. What are primitive instincts?
11. What are resultant instincts?
12. What are emotional acts?
13. What is a Deliberative Appeal?
14. What is intellect?
15. What is knowledge?
16. What may be the action of an appeal?
17. What is Suggestive Action?
18. What is Dominant Action?
19. What may Suggestive Action be?
20. What may Dominant Action be?
21. What may be the Basis of an appeal?
22. To what may the Principle of an appeal refer?
23. To what may the Purpose of an appeal refer?

CHAPTER IV

STRUCTURE

We have seen that a thorough analysis of the commodities and an accurate conclusion as to its selling possibilities are essential to successful advertising. Also the necessity for a logical decision as to the Form and Character of the appeal. In addition to this it is of utmost importance that the appeal be presented in a manner that will stimulate mental activities without producing waste, resulting from the need for undue effort or an improper assimilation. The discussion of this phase of construction will be considered under the title of STRUCTURE.

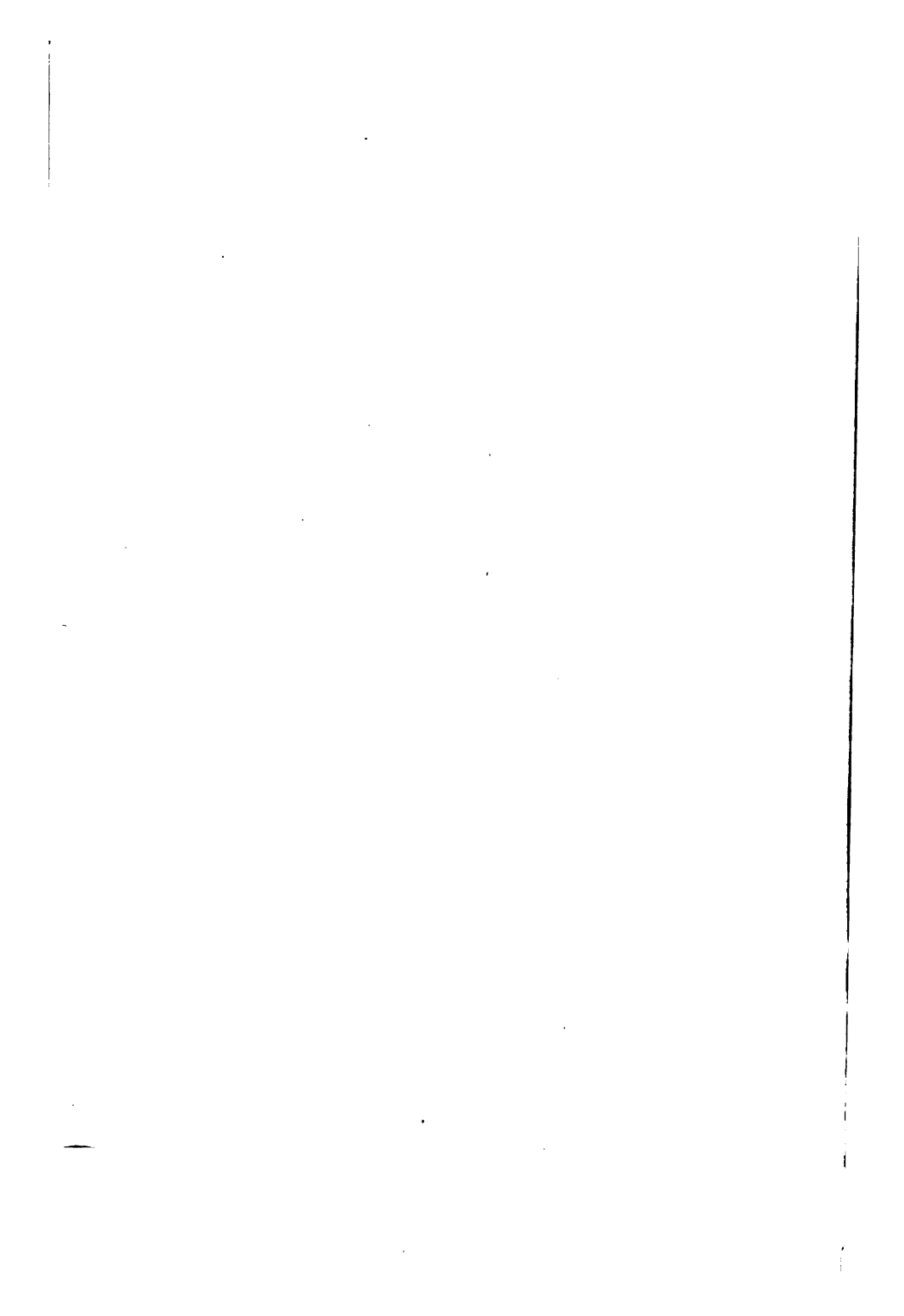
The component elements of Structure are: Typography, Illustration, Glossonomy and Topography. Typography refers to the mechanical arrangement of the component units. Illustration refers to the artistic elements. Glossonomy refers to the phraseology, and Topography refers to the general effect presented by a unit of appeal as a whole. An understanding of the principles underlying each of these elements is essential to the efficient structure of an appeal.

Typography Is Considered Under Four Main Subdivisions: Composition, Proportion, Motif and Emphasis

Composition considers the selection and arrangement of the mechanical elements by which the expression is constructed. The force of many an advertising campaign has been partially and frequently entirely lost as the result of improper selection or poor arrangement. Efficiency in this respect requires a knowledge of the relative values of com-

CHART C
TYPOGRAPHY

| | | |
|-------------|-------------|---------------------|
| Composition | Strength | Extensive |
| | Unity | Intensive |
| Proportion | Size | Motion |
| | Shape | Elements |
| Motif | Artistic | Structure |
| | Utilitarian | Masses |
| Emphasis | Isolation | Natural |
| | Incongruity | Irregular |
| | Display | Excellence |
| | | Distinctiveness |
| | | Expressiveness |
| | | Characteristiveness |
| | | Mechanical |
| | | Actual |
| | | Size |
| | | Shape |
| | | Color |
| | | Type |
| | | Illustration |
| | | |



ponent elements as regards their effect, in combinations, upon the reader.

Inasmuch as it hardly ever occurs that component elements are similar in any two cases, it is impossible to lay down any specific rules of procedure. Proficiency in composition is an art which can only be achieved as the result of practice and experience.

Proportion refers to such mutual adjustment or adaptation of the entire structure and its component parts as will be readily assimilated by the eye. The eye, being a mechanical instrument for recording specific forms of vibratory activities, is limited as to the scope and extent of its activities. The principles underlying these limitations are known as the Laws of Optics. A knowledge of these laws will be of great assistance to the advertising practitioner.

Motif refers to the relationship which the composition bears to the subject and object of the appeal. It too frequently happens that an appeal escapes the attention of those who would naturally be most interested, because the effect of the appeal is to create an impression which is entirely out of keeping with the nature of its contents. A frivolous treatment of a serious subject will not generally interest those who would be logical prospects.

Emphasis refers to the means employed to make impressions of the most important phases in a manner that is sufficiently strong to assure that they at least do not escape attention. In some instances such points are under-emphasized to a degree which deprives them of their real utility. In other cases some points are over-emphasized to such an extent as to detract from the balance of the incentives.

The Composition of Typography Should Be Considered as to Strength and Unity

Strength may attract attention, but unless the appeal also possesses unity, it is more likely to produce confusion than

action. Many advertising men make the mistake of relying upon strength alone. They overlook the physiological fact that excessive activity is productive of depression.

Strength may be extensive or intensive, or both. Extensiveness refers to relationship which the units bear to their background in proportion to its size. When the units are so closely related as to almost or entirely obliterate the background, the effect is liable to be monotonous, which is directly opposed to strength. Intensiveness refers to the degree of contrast which the component units bear to their background or to each other. Extreme intensity requires extra effort by the eye, and is liable to frustrate its own purpose, especially if it is an extensive intensity.

Unity refers to the harmonious relationship which the component elements and lines of action should bear to each other. When there is a lack of unity, it necessitates a continuous readjustment of the optic or mental reaction which is liable to result in fatigue and a consequent waning of interest. Many advertisements consist of such a hodgepodge of elements and lines that it is well nigh impossible for the reader to gain any coherent impression whatever. Such composition is worse than useless.

The Proportion of Typography Should Be Considered as to Size and Shape

A decision as to what shall be the size and shape of the appeal is a problem which puzzles every practitioner. In some cases the conclusion is contingent upon the size of the appropriation and the number of mediums to be employed. In other instances the effect to be produced is the only consideration. This may result in an effort which is similar to trying to squeeze a quart into a pint, or conversely, of trying to fill a quart with a pint.

In determining the size of an appeal it should be considered in connection with the quantity and sizes of the masses

PLATE G

CHENEY
SILKS

The Vogue for Foulards
is established without
the shadow of a doubt
for the coming season.

The successful year enjoyed by "Shower-
Proof" Foulards during 1930 is ample
evidence that the consumer desired for
1931 will also be for Cheney

**"Shower-Proof"
Foulards**

Cheney Brothers are amply prepared
to meet all demands for these popular
fabrics, and guarantee them to be the only
"Shower-Proof" Foulards.

The Spring and Summer lines also
contain over four hundred new
designs in printed dress fabrics.

CHENEY BROS. 100 N. 3RD ST. PHILA.
HARRIS & FOWLER, INC. 100 N. 3RD ST. PHILA.
LORD & TAYLOR, 100 N. 3RD ST. PHILA.
LORD & TAYLOR, 100 N. 3RD ST. PHILA.
LORD & TAYLOR, 100 N. 3RD ST. PHILA.
LORD & TAYLOR, 100 N. 3RD ST. PHILA.

© 1930 by Cheney & Brothers, Inc.

Composition (Type)

EVERYBODY'S MAGAZINE



WHEN choosing your furniture ask to be shown the Berkey & Gay shopmark. It is both a guide and a guaranty. It is *invaluable*—made a part of each Berkey & Gay piece. It is not conspicuous, yet is quickly found. It is a guide to what is correct and of lasting value in period design and it is a guaranty of the highest quality of wood and workmanship. Berkey & Gay furniture is

For Your Children's Heirlooms

OUR period pieces are studied from the authentic sources, preserved their roots. Whether for bedrooms, living rooms or dining rooms, you are assured that by purchasing Berkey & Gay furniture you are securing pieces that will continue to harmonize and will increase in charm with age.

The better class of dealers in every city breeds our furniture. With the dealers they share and are perpetually of beautiful sleep photographs, they are able to show you our entire line.

THE *great demand* for our *children's book*, *Character in Furniture*, has led us to prepare another large edition. It is a most valuable and informative history and study of period furniture. We will send it to you by mail for 50 cents, no matter what status. Also, if you wish, you will send your copy of *Berkey & Gay*, which gives the history of the development of our furniture making in America.



Berkey & Gay Furniture Co.
150 Monroe Ave., Grand Rapids, Michigan

Published by
The American Book Company
215 N. 3rd St., New York, N. Y.

Proportion

STEINWAY

IN the purchase of a piano,
I consider permanency.
The Steinway reputation for
permanency of tone, beauty
and workmanship has been
maintained through four
successive generations of the
Steinway family. There
exists no other such record.

**The
Steinway
Vertegrand**

A characteristic Steinway
achievement. Constructed to
produce in a person of upright
form the same amount of
musical expression that has
always individualized the
Steinway Grand—An
Upright Piano of Grand
Value.

Price \$225 in Catalog Case

For the name of the nearest
agent, or for a descriptive circular,
send a stamped, self-addressed
envelope to:

STEINWAY & SONS
STEINWAY HALL
107 and 109 East 44th Street, New York.
Subway Express Station at 42nd Street

Please mention the name of *Engineer* when writing to advertisers.

Motif

[illegible]

Emphasis

Construction—Typography (see pages 217–221)

of type illustration and white space which are essential to an effective structure. The sizes of the masses of type will depend upon the number of words and the sizes of the type necessary to convey the impression efficiently. The sizes of the illustrations should be such as will convey adequate impressions of the subjects which it is deemed necessary to illustrate. The masses of white space required can be determined after a conclusion is reached as to the extent of type and illustration masses. If any one mass is out of proportion to the others, the effect is liable to be negative. For instance if the appeal is 90 percent illustration, five percent white space and five percent type, the illustration is likely to overshadow the type so that it might just as well be eliminated and save the cost of the space it occupies.

The shape of the appeal will depend to a great extent upon the shapes of the component masses. The shape of the background or the space which the appeal will occupy will also be an important factor. The shape of an appeal may be natural or irregular. A natural shape conforms to the laws of optics and of art as laid down by the Greeks and is more effective. However, there are many conditions under which a natural shape would be impractical, but these conditions do not occur with such frequency as the use of irregular shape would seem to indicate.

The Motive of Typography May Be Artistic or Utilitarian

When the effect of the composition has for its chief object the creating of a pleasing impression alone, it is an artistic composition. When its purpose is simply to convey a definite impression as to some commodity, its composition is utilitarian.

There are conditions under which it is considered by some that the appearance of the appeal should be purely artistic, while in other cases it may be deemed advisable that it be strictly utilitarian—possibly severely so.

A decision as to whether the composition should be Artistic or Utilitarian will depend to a great extent upon the subject of the appeal and the class appealed to. There are many cases extant where composition could be more artistic without detracting in the least from its definiteness. In other cases a little less of the artistic effect and a higher degree of utility would be a better investment for the advertiser.

The essential elements of Artistic Typography are: Excellence and Distinctiveness. Many attempts at artistic effects are so far from possessing excellence that they are worse than useless. Likewise many advertisements carry Distinctiveness to such an extreme as to make them really offensive.

Excellence is a quality that appeals to all for the simple reason that it is a definite quality. It leaves no loophole for a misconception or lack of interest on the part of the reader. Nevertheless it is a quality which cannot be interpreted and executed by the average untrained mind.

Distinctiveness is proper interpretation of the individuality of the commodity itself and the firm back of it, and is of itself a verification of the statements contained in the appeal. It frequently happens that an attempt to produce a distinctive effect results in attracting only such people as would not be interested in the subject of the appeal.

In the cases of some forms of appeal such as newspaper or magazine advertising there is only one reliable way of insuring a uniformity of Excellence and Distinctiveness and that is to have the appeal constructed exactly as it is desired and then to furnish all publications with plates or mats.

There are many examples to be found where the composition is effective from the standpoints of both Excellence and Distinctiveness. Perhaps the most notable of these, in view of the many difficulties which must be contended with, are found in the advertising of some large department stores throughout the country, especially Wanamaker's New York Advertising.

Emphasis in Typography May Be Achieved by Isolation, Incongruity and Display

Emphasis in Typography or any other element of advertising is a quality which is little understood, either as to cause or effects. We see a person who is overdressed, carrying style to an extreme, resplendent in bright color effects and laden down with jewelry, and it calls forth ridicule and contempt.

In advertising, however, it quite often occurs that the more atrocious and abortive the emphasis, the more overdressed, resplendent and laden down with embellishment the more likely it is to be considered "fine." While it is true that the advertiser's ignorance makes this possible it does not constitute an excuse for the practitioner's tendency to rack his brains in the endeavor to pander to this ignorance.

Emphasis by Isolation may be a Mechanical Isolation or an Actual one. When Isolation is Mechanical it is achieved by some method which directs the optic activity to the desired point as illustrated by the arrow. The difficulty to be considered in this form of Emphasis is, that it does not lead the reader entirely around or through, and results in his overlooking matter which should be assimilated. When the Isolation is an Actual one, it is accomplished by segregating the unit from the rest by a liberal use of white space or other intervening matter.

Emphasis by Incongruity may be achieved by employing an illogical size or shape in connection with the point which is to be emphasized. An illogical size, shape or color is one which is not in harmony with the structural effect of the appeal itself. When Isolation by Incongruity is employed, care should be taken lest the emphasized units dominate the reader's attention to the exclusion of the other units.

Emphasis by Display may be achieved by means of large or heavy faced type, or by illustrations. Just when large type should be employed or the unit should be illustrated

is a matter which must rest with the judgment of the practitioner. Many of the principles upon which such judgment should be based will be found in text books devoted to Typography, but a practical knowledge can only be acquired by intelligent practice and analyzed experiences.

In employing any form of emphasis, great care should be taken to guard against presenting stimuli which are difficult for the reader to assimilate or which produce confusion instead of conclusion.

Illustration Is Considered Under Four Headings: Naturalistic, Conventional, Graphic and Decorative

According to the anthropologist, primitive man conveyed his ideas to his fellow by means of signs and crudely drawn pictures. It is claimed that this method of communication preceded speech and there can be but slight doubt that it is so. Therefore the primal purpose of the picture is to illustrate some thought which it is found difficult to express clearly by means of words. With this origin as a basis there can be little question as to the logicalness of the theory that the utility of the illustration is contingent upon the character and quality of the impressions which it conveys. When employed as an incentive in an advertising appeal this is especially true because its function then becomes one of producing or assisting to produce a specific response.

To illustrate anything a person must know it, not only in a perfunctory manner, but he must *feel* it—almost too strongly to express in words or at best in few enough words to make it interesting. The ability to make this form of expression is not given to all men. It requires an exceptional faculty for assimilation and an unusually highly developed nervous mechanism, of a peculiar nature. Such a faculty enables its possessor to produce response of a character which could be accomplished in no other manner. Many instances of the faculty have been found among cartoonists,

CHART V
ILLUSTRATION

| | | |
|--------------|--------------|--------------|
| Naturalistic | Pictorial | Relevant |
| | | Irrelevant |
| | Objective | Appearance |
| | | Application |
| Conventional | Delineative | Ingenuous |
| | | Interpretive |
| | Ornamental | Consistent |
| | | Inconsistent |
| Graphic | Processes | Operation |
| | | Effect |
| | Uses | Actual |
| | | Suggestive |
| Decorative | Structural | Harmonious |
| | | Inharmonious |
| | Embellishing | Realistic |
| | | Symbolic |

notably in the case of the late Thomas Nast, whose cartoons were practically the cause of breaking up the Tweed Ring, which held New York in its grip for so many years.

In spite of the fact that Illustration requires this unusual faculty and that it must be more effective than art as it is generally conceived, it is no infrequent occurrence to observe illustrations in advertising which are not only entirely devoid of conception, but are absolutely lacking in artistic merit. The resultant waste is not confined alone to the cost of the illustrations themselves or the space which they occupy, but to the enormous difference in results which might have been produced at a slightly higher cost.

The man who is unable to succeed as an artist can generally find ready sale for his productions to impecunious advertisers, if the price is right. There is only one way to obtain illustrations which will warrant their cost of circulation, and that is to employ a man who possesses the ability of both the artist and the cartoonist and then pay him for the time required to study the proposition as well as for the production itself.

Naturalistic Illustration May Be Pictorial or Objective or Both

Naturalistic Illustration as the term implies is essentially natural. It is as nearly faithful to its subject as it is possible for human ability to produce. Many attempts at Naturalistic Illustration fail because their lack of faithfulness creates a false impression and subsequent dissatisfaction.

Pictorial Naturalistic Illustration refers to such as convey one or more impressions as to related subjects. Such relationships may be Actual or Idealistic, according to the viewpoint assumed as the basis of the conception. The main essential is that its component elements are all true to nature.

Pictorial Illustration may be Relevant or Irrelevant to the subject of the appeal. When it is Relevant its tendency is to stimulate a more intensive mental activity of the reader regarding the subject of the appeal. When it is Irrelevant

the effect will quite likely be to divert the reader's mental activities into channels which are entirely unrelated to the subject of the appeal, and strangely true is it that the greater the merit of an Irrelevant Illustration the more likely is this result to be produced.

Pictorial Objective Illustration refers to such as convey one or more impressions, regarding a specific object, which are faithful to the subject. The impressions so conveyed may refer either to the Appearance of the object or to its Application or to both. The Appearance of the object may be considered from the viewpoint of construction or of quality, while the Application of an object may be depicted in a way that indicates how it meets a specific or a general requirement.

Conventional Illustration May Be Delineative or Ornamental

Conventional Illustration is never literal—it never conveys faithful impressions as to all the details of its subject. Its function is more than of suggesting, to a greater or lesser extent, the impression of the object in a manner which in some cases makes it more general, or, in others the basis for the reader's imaginative processes.

There are some conditions under which literal illustration might have a tendency to be offensive, either because of the subject, or because the class appealed to might have their artistic sense shocked at what would seem to them to be "A Crude Presentation." On the other hand there are many people who fail to gain an impression upon any subject unless it is presented in such a manner that there is nothing left to their imagination. However the degree to which this will apply depends to a great extent upon the prospect's familiarity with the subject of the appeal.

Delineative Conventional Illustration may be Ingenuous or Interpretive. It is Ingenuous when it adheres to its subject in a more or less general way without including extraneous

PLATE H



Designed by H. J. Thompson, an Industrial Specialist

Photo of child by George W. Howard Co.

CREAM OF WHEAT FOR "SAIL"

Naturalistic—Pictorial

COMMUNITY SILVER
The Aristocrat of the Dinner Table

If you give a sigh of pleasure when you look at the silverware on your dining table, if you experience the same sensations of delight three times a day every day in the year, then it is evident that you belong to the great majority of consumers numbering several millions who are united in their appreciation of the charm of Community Silver.

*More than Triple Plain
More than Triple Value*

6" Teaspoon, \$2.00 At your Dealer's

ONEIDA COMMUNITY, LTD. ONEIDA, N.Y.

Naturalistic—Objective

Inimitable
Hall's Gloves
DOUBLE TIPPED
THE GLOVE-MAKING WORLD

EVERY pair of our gloves before being offered for sale must pass the most careful inspection as to cut, fit and workmanship known to modern manufacturing. Hence we know

Hall's Silk Gloves

are inimitable for every purpose of retailing, considering the profit for yourself and service to your customers. Let us know your wants and we'll gladly send prices and samples.

H. S. HALL
Manufacturer
215-227 Broadway Ave. Jersey City, N. J.
43-45 East 19th St. New York
F. SCHMIDT & CO. Selling Agents

© 1917 We are proud for the 10th annual time to be long silk gloves. For long value to come long.

Conventional—Delineative

THE WORLD'S WORK ADVERTISER

In which we speak of the thoughtful reader

ALTHOUGH it is often said that there are not as many thoughtful readers of books as there used to be, we find it hard to reconcile this with the tone of hundreds of letters which have reached us from readers of

"The Case of Richard Meynell"
BY MRS. HUMPHRY WARD

ONE and all, they have been impressed with the tremendous theme of Mrs. Ward's new book—the moral problem of a strong man in revolt against the established order. The beauty and tenderness of Richard Meynell's love-story has been a potent charm in this tale, it is true. But that which reassures us most is the thoughtful consideration given by the average reader to the dominant motif of Mrs. Ward's new novel.

Not to have read it is a great pity for any lover of interesting and abiding fiction.

DOWLING, PAGE AND COMPANY

The Reader Service will give information about the latest publications mentioned.

Conventional—Ornamental

Construction—Illustration (see page 223)

motifs, either as to shapes or colors. It is Interpretive when it simply suggests its subject in a more or less indefinite manner and involves unrelated motifs. That the Utility of Delineative, Conventional Illustration is dependent upon many of the principles which apply to Pictorial Naturalistic Illustration should also be taken into consideration.

Ornamental Conventional Illustration refers to such forms of illustration as are employed for adding to the attractiveness of the appeal. The principles involved will be considered more extensively under Decorative Illustration.

Graphic Illustration May Indicate the Process or Uses of the Subject

A Graphic Illustration is one which is composed of two or more related illustrations regarding the same subject. These component illustrations may be connected by actual contact or by any of the numerous mechanical effects that are generally employed. Occasionally the connection may consist of an obvious association.

A Graphic Illustration which indicates the process of the subject may consider it from either the standpoints of Operation or Effect. When Operation is the basis of the illustration the process will be to convey an impression as to how the subject meets a specific requirement and showing the superiority of its utility by illustrating its merit at every step of the process. It may indicate these elements of the subject in either a Dependent or an Independent manner, although the possibility of this latter distinction will depend largely upon the nature of the subject. When the process illustrates the Effect of the subject, it may do so in either a Progressive or a Demonstrative manner. The Effect of a Progressive Graphic Illustration indicates in some manner the degree of satisfaction which is enjoyed by the user of the subject. By way of illustration, a woman buys a certain brand of flour and derives pleasure because it enables her to produce—say a pie, with least trouble. It also gives her addi-

tional satisfaction because the pie pleases her husband with the result that he takes her to the theatre after dinner, presumably because the fine pie, which this flour enabled her to bake, put him in an amiable frame of mind. The Effect of a Demonstrative Graphic Illustration indicates by means of some Actual or Mythical test just why the subject will give satisfaction. The illustration of the shoe being sawed in half, exposing the different materials to view exemplifies this form of illustration.

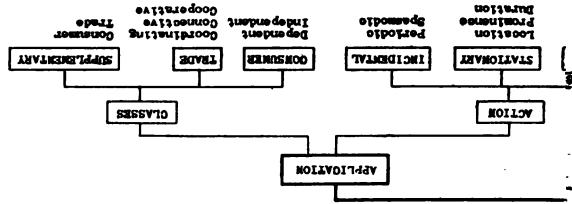
When the Graphic Illustration indicates the uses of its subject the process is one which delineates the uses in a concise manner. For instance, the scouring soap is useful for cleaning tinware, chinaware, cut glass and many other things. Illustrating these points creates an impression of greater desirability. However, such delineation may be of actual uses or of suggestive uses. When it indicates actual uses, it refers to such wants as already exist generally. When it indicates suggestive uses its purpose is to create new wants, which the subject can satisfy. Graphic Illustration of actual uses may indicate either specific or general utilities, while those of suggestive uses may be designed to create a want for the service rendered by the commodity itself or by its application to some existing condition give a greater service to some related article.

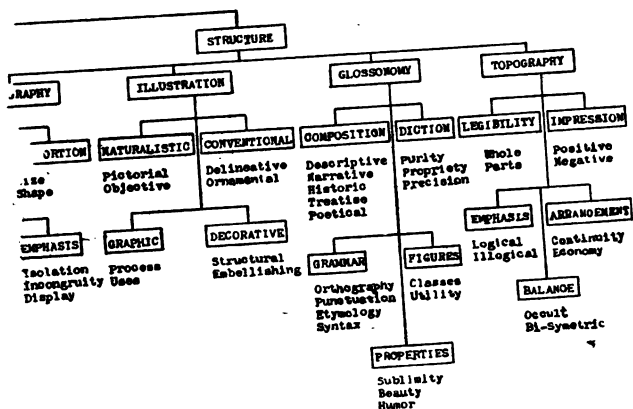
Decorative Illustration May Be Structural or Embellishing

When Decorative Illustration is involved in the construction of the entire appeal it is structural. When it simply constitutes an individual unit, its purpose is that of an embellishment. Properly employed, Decorative Illustration can be very effective in increasing the attractiveness of the appeal. When it is overdone, however, it may be interesting purely from an artistic standpoint and in consequence deprive the appeal of a considerable amount of its utility.

Third Section

Instruction and Application. Up to this point the conditions under which it may be merchandised. The concrete statements. Next follows the consideration with the interpretation.





PURPOSE
Utility
Satisfaction

Structural Decorative Illustration may be harmonious either with the subject of the appeal or with the units of which it consists. All lines in use today in any form of decorative art are simply records and remainders of the methods which previous generations employed to convey their impressions. Thus curved lines, horizontals, perpendiculars and diagonals either by themselves or in combination, all express different forms of nervous energy. To employ them inconsistently has a tendency to create confusion.

Embellishing Decorative Illustration may be realistic or symbolic. When it is realistic it is designed to convey an impression regarding some related or unrelated subject in either a naturalistic or a conventional manner. When it is naturalistic it constitutes a faithful reproduction of some thing which has existed or does exist. When it is symbolic it is designed to create some impression in a suggestive manner, which custom has come to regard as indicating the thing itself. Thus, a keystone executed in either a naturalistic or conventional manner would be a realistic embellishment, while a winged foot would be a symbolic embellishment.

Question Review

1. To what does Structure refer?
2. What are the component elements of Structure?
3. To what does Typography refer?
4. Under what four subdivisions is Typography considered?
5. To what does Composition refer?
6. To what does Strength refer?
7. To what does Unity refer?
8. To what does Proportion refer?
9. To what does Size in proportion refer?
10. To what does Shape in proportion refer?
11. To what does Motif refer?

12. What is Artistic Motif?
13. What is Utilitarian Motif?
14. To what does Emphasis refer?
15. What is Emphasis by isolation?
16. What is Emphasis by incongruity?
17. What is Emphasis by display?
18. Under what headings is Illustration considered?
19. What is Naturalistic Illustration?
20. To what does Pictorial Naturalistic Illustration refer?
21. To what does Objective Naturalistic Illustration refer?
22. What is Conventional Illustration?
23. What is Delineative Conventional Illustration?
24. What is Ornamental Conventional Illustration?
25. To what does Graphic Illustration refer?
26. How does Graphic Illustration consider process?
27. How does Graphic Illustration consider uses?
28. To what does Decorative Illustration refer?
29. What is Structural Decorative Illustration?
30. What is Embellishing Decorative Illustration?

CHAPTER V

GLOSSONOMY

Glossonomy refers to the Laws of Language. Language refers to the structure of words and combinations of words by means of which people communicate with each other. Words or combinations of words are simply symbols which are employed by one individual to express or convey to others an impression or thought regarding an object, a condition, or a process. An impression or a thought consists of mental images or series of images produced by the effect of some external stimuli upon a sense organ or it may result from a mental process.

**Glossonomy Is Considered Under Five Main Sub-divisions:
Diction, Grammar, Figures, Properties and Composition**

The utility of words depends upon the ability of the individual to employ them in such a manner as will create, in the minds of others, images which are duplicates of those in his own mind. For words to possess this utility to any person it is essential that he is in possession of such words as will enable him to express his image or images in an adequate and comprehensive manner. This is a more difficult proposition than is generally realized. The extent and quality of the images which one person can create in the minds of others, by the use of words, is contingent upon the scope of the reader's vocabulary and the degree of refinement of his understanding or the words comprising his vocabulary. Some people have a limited vocabulary, but a thorough knowledge of the meaning of the words comprising it. Others have a rather extensive vocabulary, but a limited knowledge of the meanings of the words comprising it. A statement made to one of the first class, which is within the scope of his vocabulary, will readily produce a positive or a negative response. A statement made

to one of the latter class may require repeating several times, to produce a response. However, there are many words, which from their common usages are thoroughly understood by a large majority of people. These are known as simple words and are employed most frequently, because a great amount of mental effort is not required to generate the nervous energy necessary to express them.

Therefore it becomes obvious that under ordinary circumstances the most effective way for one person to create images in the minds of others is to employ simple words. However, simple words can only create simple images, and when the image to be conveyed is a composite or complex one, it becomes necessary to create a series of simple images which produce an imaginative process resulting in the reader's creating the composite or complex image himself. The reader may not be able to express this image in words, but he can respond to it. When this process is undertaken two things must be considered. First, that the series of simple expressions employed are selected intelligently as to the impression they will create. Second, that the quantity of the simple expressions employed is not so great that the reader's interest will wane before the complete impression is produced.

The ability to employ and combine words intelligently as well as to keep within the scope of the reader's interest is by no means a simple matter. It requires a knowledge of the character and quality of the effects of words and the art of combining them in such a manner that they constitute stimuli instead of causing the reader to use up nervous energy without making an impression. While this process has not and probably cannot be reduced to a scientific basis, there have been gathered together as a result of experiment and research, a number of principles which constitute the Laws of Language. A knowledge of these laws will enable the advertising man to undertake the proposition with a greater effectiveness than could be ordinarily achieved.

CHART E
GLOSSOLOGY.

| | | |
|-------------|-------------|---|
| Diction | Parity | Origin Custom |
| | Propriety | Accurate Inaccurate |
| | Precision | Exact Synonymous |
| Grammar | Orthography | Vowels Consonants |
| | Etymology | Classification Inflection Formation |
| | Syntax | Simple Involved |
| | Punctuation | Connection Dependence |
| Figures | Classes | Appropriate Inappropriate |
| | Utility | Strength Embellishment |
| Properties | Sublimity | Cause Effect |
| | Beauty | Simple Complex |
| | Humor | Pleasant |
| | | Unpleasant |
| Composition | Descriptive | Construction Utility |
| | | Relevant Irrelevant |
| | Narrative | Conception Conditions |
| | | Classic Jingle |
| | Poetical | |

The services of the advertising practitioner are generally required to convey impressions regarding some object, condition or process that is different from, or an improvement over, some object, condition or process that has been in more or less general use. Therefore it is usually necessary for his efforts to result in the creation of images which are somewhat more composite or complex than the ordinary run. On this account it is essential that the advertising practitioner should acquaint himself with these principles in the most thorough manner possible.

It is an unfortunate fact that comparatively few people possess the ability to express themselves clearly. It is also unfortunate that few people possess the faculty of comprehending the few who are able to express themselves. This latter class are unfortunate because any person's progress is dependent upon the quantity and quality of the impressions he receives. The more composite or complex the image the more complicated is the symbol or word which will convey its impression. The individual who can readily create images from complicated words receives a larger quantity of higher quality impressions in a shorter time than can the less intelligent man. It is a still further unfortunate fact that this class not only fail to realize their loss, but consider the use of complicated words as a cause for ridicule. It is not possible in this work to go into the matter of Glossonomy in an extensive or detailed fashion. The discussion will be confined to general principles and such specific suggestions as will be effective in demonstrating the necessity for a thorough study of the subject which is essential to efficient practice.

Diction Refers to the Purity, Propriety and Precision of the Words Employed

In considering the importance of the selection of the words to be employed, it must be remembered that all impressions are made through, or by means of, some sense organ, and that

the character of the impression is contingent upon the nature of the nervous current produced by the stimuli. Words being symbolic stimuli, the character of the impressions produced by them are contingent upon the degree to which they actually symbolize the objects, conditions or processes which they are designed to image. This may seem platitudinous, but the almost reckless abandon with which most people make use of words would indicate that its appreciation is most uncommon. When words are employed in an advertisement which create imperfect or erroneous images in the reader's mind, the result will be either a lack of desire or a loss of confidence. This is unfortunate because it is possible, by using the proper words and combinations of words, to convey impressions as to any object, condition or process that it is desired to convey. However, it requires more effort than it does to employ words which come to mind readily and convey near-impressions.

The Purity of Diction refers to the legitimacy of the origin and usage of the words employed. There are, generally speaking, two ways in which a word may become a part of the English language. One is by adoption from some other tongue and the other is by a combination of such adaptations either wholly or partially. Nearly all the words of general usage had their origin in the Latin or Greek languages. Subsequently many words have been adopted from other tongues. As a general rule all words can be traced back to a point where they constituted the natural vocal reflex resulting from some sensation, impression, or mental process. However, this consideration is an academic one and not of such importance to the advertising practitioner as is the usage of the words he employs.

In order that his appeal may be most effective it is essential that he employ only such words as will symbolize the object, condition or process to the greatest number of people. To accomplish this purpose it will be wise to avoid the use of words which are foreign, newly coined or obsolete, and confine himself strictly to words which are at present intelligible to the

class appealed to. His ability in this direction will be dependent to a great extent upon the character of the mediums he uses. If he uses national mediums, his words must be confined to such as have national significance. If he uses local or class mediums, he can advantageously use words which are more or less provincial, technical or even lacking in refinement. In any of the latter circumstances it is essential that the practitioner be absolutely certain that such words are strictly of general usage among the class appealed to. To acquire Purity from the advertising practitioner's viewpoints requires that he acquaint himself intimately with the language of the class appealed to. Purity, from the grammarian's viewpoint, is a most laudable achievement, but it will not be very effective in a colony of newly arrived Italian immigrants or of illiterate Southern darkies.

The Propriety of Diction refers to the relation which words in a sentence bear to each other. It frequently occurs that words which are absolutely Pure are combined in such a manner as to create an entirely different impression than was intended. If I say that Maud S. was a fast horse there would be no mistaking my meaning, but, if I say that yellow is a fast color as compared to violet, the impression might be gained that I meant yellow would not fade as quickly as violet. Perhaps a most effective illustration from the Advertising Practitioner's viewpoint will be found in the advice of an earnest advertiser who said, "Don't let others cheat you—come here."

Precision of Diction refers to the conciseness of the impression created by words. While many words are synonymous, it frequently occurs that many synonyms have varying shades of difference. By frequent practice in tracing the difference between words which are apparently similar, the practitioner will readily become accustomed to considering the exact meanings of words and unconsciously acquire greater precision. To illustrate this point we will consider the distinction

between—weight and heaviness—Weight is ascertained by a fixed measure and lies in the thing itself. Heaviness is an opinion which one may have and its degree is mainly a matter of feelings. When the word weight is used to suggest the thought of heaviness the mind naturally wonders what the weight is in definite terms, because it has become accustomed to think of weight in this manner. The effect is to divert the person's mind to a greater or lesser extent from the purpose of the appeal.

A person will tell another that they have a mutual interest in some matter when he means that they have a common interest in it. The tendency towards impropriety of diction is too prevalent and consequent confusion so general that exceeding care must be exercised.

Grammar Refers to Orthography, Etymology, Syntax and Punctuation

Grammar is the most elementary part of logic. It is the beginning of the analysis of the thinking process. The principles and rules of grammar are the means by which the forms of language are made to correspond with the universal forms of thought. Single words may be cognized by the senses, but words put together to express relations can only be cognized as the result of a mental process.

Economy of attention is a most important element in a written appeal. This requires that the meaning may be cognized with the least mental effort, that the mind should be brought to a thought in the easiest and shortest possible way. No matter how interested a person may be in the subject of an appeal, it is possible to make it so difficult to cognize that the interest wanes.

Orthography refers to the correct representation by letters of the sounds that make up a word. The letters of the alphabet are divided into vowels and consonants. A blending of two

vowel sounds into one sound is called a diphthong. It may seem as though this were so elementary as to be of little value to the advertising man. However, it must be remembered that the faculty of interpreting written or printed symbols is first acquired by speaking them or producing, by means of mental, nervous or muscular effort, the sounds which they represent, and the ease with which this may be accomplished depends upon the amount of effort required by the pronouncing process. Whenever a new or unusual word is met, the only way the reader may cognize it is to pronounce it. After it has been cognized, the process of recognizing it may seem to be a direct from eye-to-mind process. Nevertheless the nervous process in every instance is one which interprets the symbol in terms of sound and from sound into thought. One becomes so accustomed to this process that it is an unconscious one.

Sound is produced by the vibrations of the vocal chords which are ligaments situated on each side of the windpipe. This produces wave sounds in the opening (glottis) between these ligaments. The waves of sound are modified into vowels and consonants by the articulating organs; namely, the lips, tongue, teeth, palate and the cavity of the nostrils.

The sounds of some letter combinations are more easily cognized than others. If the practitioner possesses a knowledge of which word-sound combinations are most readily cognized, and writes in those terms, he will thereby reduce the reader's effort and in consequence effect an economy of attention.

Etymology refers to the classification, inflection and formation of words. Inasmuch as words are the materials from which sentences are built, a proper sentence construction requires an accurate knowledge of words. Some words are designed to express ideas specifically; others are designed to express relationships between ideas. The former are sometimes called Notional words and the latter Relational words. To use a Relational word to express a Notional thought weakens the effect of the sentence, yet it is frequently done.

Syntax refers to the manner in which words are joined in sentences. It signifies the proper arrangement. The proper arrangement of a sentence is simply the conclusions reached, as the result of experience, as to what arrangement is most readily cognized by the human mind. It involves three general considerations. First, the elements of a sentence. Second, the classification of sentences according to the manner in which those elements are arranged. Third, the principles that determine the relations of words in sentences.

Punctuation is the method of indicating to the eye, by mechanical means, the degree of separation in the relations of thought, and to simplify the reader's comprehension of the meaning and grammatical relation of the words. Reading requires mental, nervous and muscular effort. The system requires frequent rest from all forms of effort, the extent of rest being dependent upon the character of the effort. The purpose of punctuation is chiefly to indicate the places and extents of rest, in the reading process, which will make it possible for the reader to cognize the symbols with least effort and fullest comprehension. The writer who considers that attention to punctuation is not an important matter, is liable to produce confusion in the reader's mind and consequent attention-waste.

Figures Are Deviations from the Ordinary Mode of Expression and Are Considered from the Standpoints of Classes and Utility

We have seen that attention-economy requires the construction of words and sentences in such a manner as will make them assimilable with least resistance. Such sentences will make an effective impression upon the understanding if the appeal receives sufficient attention. To make this attention more certain it is advisable, wherever possible, that it possess attributes which create interest on the part of the reader, thereby causing him to stimulate his own efforts to comprehend the subject which, in connection with the stimuli presented

PLATE K

POPULAR ELECTRICITY FOR NOVEMBER—Advertising Section

DIVISION SEPT.
\$3,000 A YEAR

MASTER ENGINEER
\$5,000 A YEAR

CIVIL ENGINEER
\$5,000 A YEAR

DEPT. ENGINEER
\$5,000 A YEAR

YOU can do what others do!

You can—if you really want to. You can fit yourself to earn more than the other fellows. For they are not naturally any smarter than you. They haven't any more brains or ambition than you. They don't work any harder than you. They are simply *trained men*—that's the difference. They have *special knowledge* that you don't possess—*special knowledge and training* that makes them worth more to their employer than you can possibly be until you equip yourself with special knowledge and training.

The American School is training hundreds of men to become draftsmen, engineers and architects. It is training hundreds to fill executive positions, to run good saloons, to play a man's part in the business game. And what the American School of Correspondence is doing for others it can do for you.

Opportunity Coupon

American School of Correspondence, Chicago, U.S.A.

Send me the following information:

NAME _____

ADDRESS _____

CITY _____

STATE _____

ZIP _____

DATE _____

Mark the Coupon

and send it back to us on the next mail. That's the first step towards getting your name higher up on the payroll—the last step towards getting the kind of position you'd like to have, the kind of a salary you really deserve.

AMERICAN SCHOOL OF CORRESPONDENCE
CHICAGO, U.S.A.

Put the School advertisement mailing folder somewhere where you cannot see it.

Figures—Exclamation

Velvet
THE SMOOTHEST TOBACCO

Velvet has made a name for itself! Thousands are talking about it. Smokers everywhere are enjoying it. They like the cool, nut-like flavor of the fine Burley tobacco. Only the lower leaves are selected; teeming with the full life and growth of the plant.

Velvet

just touches the palate. Doesn't burn the tongue or dry the throat. If you haven't tried it yet, get a box today.

Mild and Satisfying. For Pipe and Other Smokers.

AT ALL DEALERS

Each box is a real treat for the pipe & pocket.

10 Cents

VELVET A BRAND, CHICAGO, ILL.

VELVET TOBACCO

Figures—Personification

EVERYBODY'S MAGAZINE

AETNA-IZED?

A SINKING SHIP

Is the most tragic of all disasters. But the loss sustained in such disasters are few compared to those lost in the ordinary course of human activity on shore. Such a disaster ought therefore to bring you to the realization of the enormous dangers of everyday life against which an AETNA Accident Policy will protect you.

This policy will protect your income and the income of your family. For \$25 the AETNA Life Insurance Company will insure your income against loss by accidental injury or death, \$25 per month while you are disabled by accident.

And in addition:

\$5,000 to your family if your accident causes death.

\$5,000 to you if it causes loss of both hands, or both feet, or one hand and one foot, or one hand and one eye, or one foot and one eye.

\$2,500 to you if it causes loss of one hand, or one foot, or one eye.

These amounts, besides the monthly income, increase ONE-HALF IN FIVE YEARS without extra cost and are ALL DOUBLED if your accident happens in a public passenger vehicle, or on a fire burning building.

LEAVE NO SUMMER DISCOUNT AT UNFORTUNATE DEATH.

ABSOLUTE ECONOMY—LIBERAL CONTRACTS— prompt SETTLEMENTS

Send to the AETNA Company

Aetna Life Insurance Co., Brown Bldg., Hartford, Conn.

I am under 70 years of age and in good health. Tell me how to AETNA-ize my income.

NAME _____

ADDRESS _____

CITY _____

STATE _____

ZIP _____

Properties—Sublimity

Ivory Soap

The cleanliness wrought by Ivory Soap is like the freshness of a bright spring morning. For Ivory Soap not only removes the stains of soot and soil but restores to its users and to their belongings that charming glow of clear, natural beauty which makes them look their best.

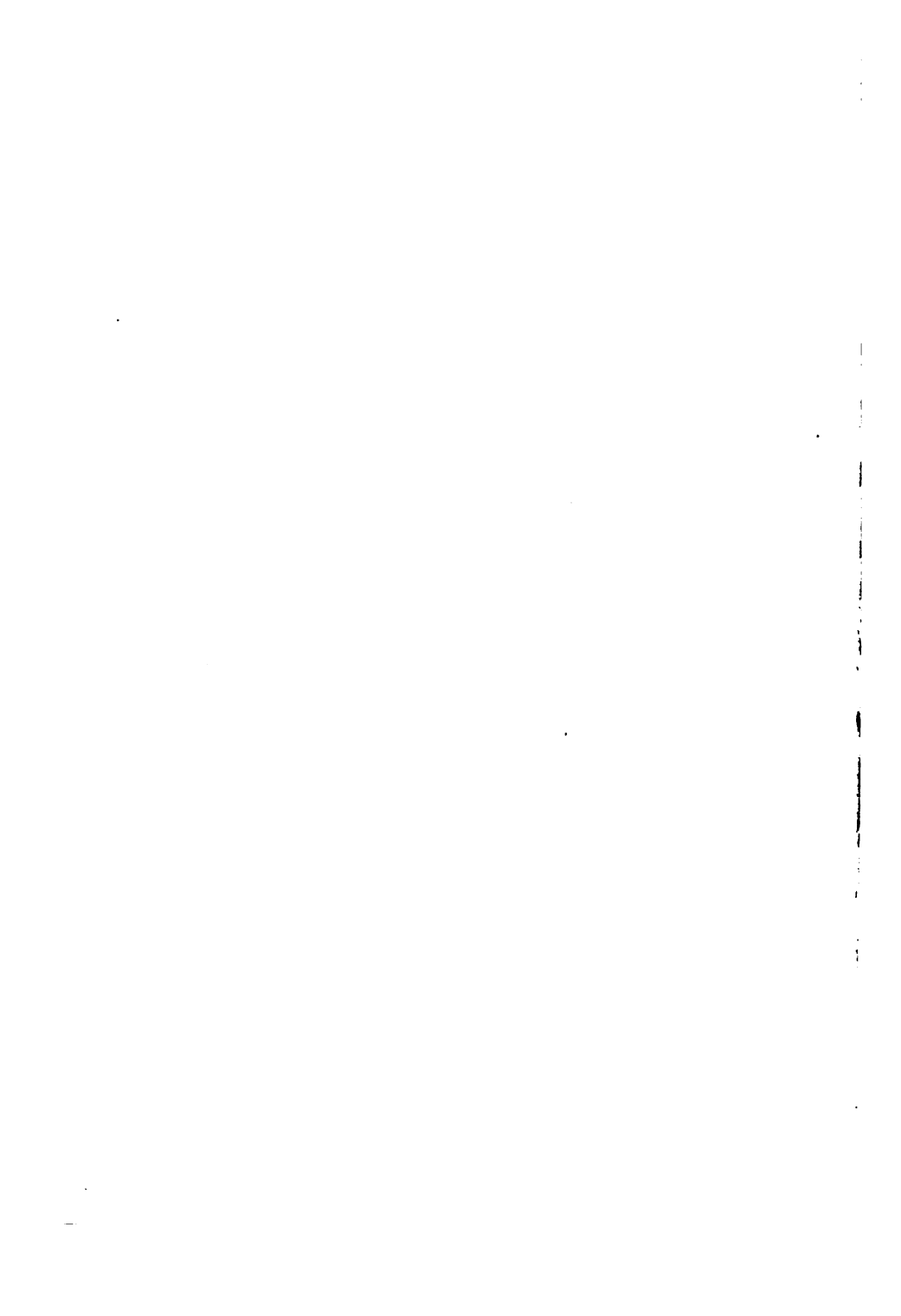
Ivory Soap produces this perfect, glowing cleanliness because it is so far above the ordinary in quality—because it is pure—because it contains no "fill" (unwashed) alkali.

Ivory Soap . . . 99⁹⁹ Per Cent. Pure.

in every advertisement place mention "EVERYBODY'S MAGAZINE"

Properties—Beauty

Construction—Glossonomy (see pages 236–238)



by the discourse, gives its subject the benefit of twofold stimuli. This is of special value when the image it is desired to reproduce is a composite or complex one regarding some object, condition or process, with which the average person is not conversant. While Figures are a deviation from the ordinary mode of expression, they should not be forced or unnatural. Figures are not the inventions of rhetoricians any more than the laws of language are the inventions of grammarians. They are simply natural modes of expression when it is desired to emphasize a meaning in a manner that cannot be misunderstood. They might be said to be to language what color is to illustration. Both learned and illiterate men speak in Figures and the more interested a person becomes, the more apt is he to employ figures. The physiological basis of this is that the impression is associated with some nervous process or processes regarding which the prospect has had previous experience, thus reducing the nervous resistance that must be overcome in effecting a distinctly new impression.

The most common Figures which the advertising practitioner may employ advantageously are simile, metaphor, allegory, antithesis, epigram, metonymy, synecdoche, interrogation, exclamation, apostrophe, personification, hyperbole and irony. Each of these figures are employed best under certain conditions, and constructed most effectively when considered with regard to various rules concerning them which are simply the conclusions of language scientists resulting from many years' observation, collations and codifications.

Many of the most effective phrases that have been famous in the advertising world are excellent examples of Figures. One of the most notable of these is the illustrated simile employed by the Prudential Insurance Company, which likens that institution to the Rock of Gibraltar, conveying in one impression an image of strength which is most effective. More advertising could possess greater effectiveness, if the

average advertising practitioner would acquire a thorough knowledge of speech figures and the laws which govern their use and construction. It might not be amiss to state that Hyperbole is the one Figure that is used with greatest frequency in advertising.

The advertising man seeks to convey impressions by means of language. Language is his most effective tool. In spite of this no man is more generally ignorant of the causes and effects of this tool than the advertising man. The laws governing these causes and effects were in existence before the advertising man was born, yet he not only refuses to consider these laws, but seeks to constitute himself a source of law, resulting in a Babel of expressions which are most confusing and wasteful. No advertising practitioner should be permitted to spend his client's money in the dissemination of language until, in addition to other requirements, he has demonstrated his mastery of its laws.

The Properties of Language are Considered Under Sublimity, Beauty and Humor

To insure the highest degree of interest it is essential that the prospect's attention be secured to an almost exclusive degree. Therefore, it is desirable to obtain not only his mental but his physical attention, otherwise some physical stimuli may succeed in distracting mental attention. To accomplish this with language, it is necessary that the words or combinations of words employed are of a character which not only make impressions upon the mental area, but also stimulate pleasing or controlling nervous reflexes that are of sufficient strength to offset or minimize the effects of unrelated physical stimuli. The ability to accomplish this represents the highest degree of art in the use of language. As advertising consists of an appeal which must overcome many adverse conditions, it will be most effective if the language employed produces this effect. The images which may be thus produced are the

result of nervous reflexes upon the mental area which have their source in the excess of unimaginable nervous force created by the stimuli, and for this reason are generally undefinable in specific terms.

During many centuries rhetoricians and others have observed these effects and their causes, classifying them under the general headings of Sublimity, Beauty and Humor. Each of these headings comprehends several sub-headings, all of which are subject to certain laws of construction and application upon which depends their utility.

Sublimity is the term that is applied to the effects of nature's controlled or uncontrolled forces which surpass the individual's ability to image adequately or to describe accurately. Under this are such elements as Vastness, Power, Awfulness, Obscurity and Loudness. When an individual who governs himself in accordance with nature's laws reaches a point where his acts are constructive to a degree which surpasses ordinary comprehension, his nobleness or greatness are often considered as sublime.

Beauty refers to those effects of stimuli which produce pleasing impressions and applies most generally to such as induce feelings of restfulness and peacefulness. Under this are such elements as Color, Structure, Motion, Expression, Simplicity and Morality. The use of language in an advertisement, which besides creating images of the subject but also of some one or more images of Beauty, may be more effective than that which creates images of Sublimity. Beauty is not so overpowering as is Sublimity. It does not produce such an intense nervous reaction and therefore produces nervous reaction of longer duration. Beauty may be natural or artificial, but many instances of intended artificial beauty are not beautiful. The extent to which a thing is beautiful depends upon the state of mind of the class appealed to. A Hottentot thinks a roasted Malay is beautiful, but an American would not fancy such a repast.

Humor is the result of man-created stimuli which lacks the elements of naturalness or logicalness to permit of its being definitely imaged. The nervous force created by such stimuli may produce sensations of either a highly pleasing or displeasing character. Therefore, it should be resorted to only with the greatest care. Subsidiary elements of Humor are wit and punning, either of which, like Humor, may be pleasant or unpleasant. The emotional response to an Humor appeal is not of a very high order and the chief danger of employing such stimuli lies in the possibility of its stimulating mental activities of a lower order. A certain amount of humor may be of great value in disposing of an excess of nervous force in the system, like the safety valve of an engine. However, if the escape valve is left open too long or has a tendency to open at slight pressure, there is liable to be a lack of sufficient power. Inasmuch as advertising is designed to raise the prospect's mental activity to a higher degree, the use of Humor is a delicate proposition.

Composition Refers to the Character of the Discourse and May Be Descriptive, Narrative, Historical, Treatise or Poetical

The relationship, in an appeal, which the elements of Diction, Grammar, Figures and Properties bear to each other, will be dependent, to a great extent, upon the character of its Composition, although this itself will be in a measure dependent upon the possibilities which the proposition offers for an effective construction of any of the previously discussed phases of Glossonomy. The decision as to which form of Composition should be employed in a specific case, will also be governed to a great extent by the nature of the matter which will be employed in connection with it, as well as the general state of mind toward the subject of an appeal, both in a specific and a general way.

There have been innumerable instances in which all of the above forms of Composition have been employed, although it is

PLATE L

Good Housekeeping Magazine June 1913 Transmitted Advertisement

How Mrs. Crestley proved the difference

THEY had been talking it for reading club about a year in making dinner and Mrs. Crestley said "Not even, at my house, I'm going to *Presumptuous*."

At the close of that first afternoon she had brought a small portion of it to them. "Try this one," said Mrs. Crestley. "I've eaten a second portion. Now, I'll drink the lemonade, which is you like best?"

"The second?" said the others.

"Well," said Mrs. Crestley triumphantly, "I've been just the same, but the first was made with *Arnold's* vanilla—the one I've never not satisfying a second—the second was made with *Burnett's*."

Burnett's VANILLA

And this was better than the first, as it was in the best extract so important as in the cream. Burnett's vanilla makes the cream—when cheap ingredients fail it.

Burnett's vanilla is the extract of the perfect Mexican beans pure, perfect in flavor, deliciously fragrant—the price and quality of the product.

P. S. Mrs. Crestley's "I've eaten" was said with Burnett's in the background.

JOSEPH BURNETT CO.,
Dept. D, 26 India Street, Boston, Mass.
Salem, Chicago

Four ounces of Burnett's vanilla extract in one quart of cream makes a delicious cream.

Wholesale Package

Composition—Narrative

1879

SOMETHING NEW IVORY SOAP

Selling the first Ivory Soap—June, 1879

Ivory Soap has been before the public ever before.

During this time it has been of great use to the public, and it is now a well-known fact that it is the most economical soap.

As a whole, it is so good as to make it the most economical soap.

Ivory Soap has always fulfilled all these claims. It is pure. It is white. It is pleasant to use. It is economical. People who try it get what they expect and therefore continue to use it. That is why it has been advertised for thirty-three years.

IVORY SOAP 99 1/2% PURE

Composition—Historical

There are so many phases of Glossonomy that it is impractical to illustrate them all in this work. However, nearly every cut shown in these plates illustrates other phases of not only Glossonomy but also all phases of construction. If the reader will experiment along these lines, with the illustrations on these plates, or with ads in current periodicals, he will find it both interesting and instructive.

The selection of the illustrations in this work have been made simple because they have demonstrated the point that was under discussion. Their use is not intended to convey any opinion of the author as to whether they are good or poor examples of advertising.

doubtful if the responsible party possessed any clear idea as to why the particular form was adopted. Generally it is the result of an inspiration or a mental process. Inspirations and mental processes are always more effective if based upon some definite knowledge of the utility and construction of the materials involved.

When the Composition is purely Descriptive it confines itself to an outline of the commodity's construction or utility. It may do this in a general or specific way. In Descriptive Composition as well as in any other form, the value of a knowledge of the other laws of language will increase its effectiveness.

When the appeal is in the Narrative form the construction or utility of the commodity is woven in with other elements. Under some treatments this can be accomplished most effectively because the other elements entering into the proposition are of sufficient interest to hold attention and at the same time so entirely relevant as preclude the possibility of diverting attention. On the other hand, the subject of the appeal may be impressed so infrequently or the narrative may be so long or so uninteresting that the reader's interest will wane before the images are created.

Historical Composition may also be employed effectively and is subject to the same general thoughts as expressed above regarding narrative composition. Historical Composition may refer to the conception and construction of the commodity or it may involve a history of the conditions which were responsible for the want which the commodity is designed to fill.

When the Composition is in the form of a Treatise, it is a systematic orderly treatment of the commodity's construction of utility. This form of Composition includes the entire subject matter and rarely permits of the use of any figures of speech or embellishments of any kind. For this reason its utility is limited to such appeals as are directed to classes who are known to be interested and thoroughly conversant with the principles underlying the commodity's construction or utility.

When it is decided that the Composition should be poetical there are many things to be considered. Poetry is basically designed to please. It is also supposed to be the result of an excited imagination as well as a creative imagination. There are many forms of poetry, some of which are readily comprehended by the average mind while others cannot be understood unless the reader is in possession of a knowledge of the laws governing its construction. The simple forms, when possessing merit, may be effective because their rhythm enables the prospect to memorize them readily while in some cases it impresses itself without effort.

Question Review

1. To what does Glossonomy refer?
2. To what does Diction refer?
3. What is Purity?
4. What is Propriety?
5. What is Precision?
6. To what does Grammar refer?
7. What is Orthography?
8. What is Etymology?
9. What is Syntax?
10. What is Punctuation?
11. What are Figures?
12. What are the Classes of Figures?
13. What is the Utility of Figures?
14. What are the Properties of Language?
15. What is Sublimity?
16. What is Beauty?
17. What is Humor?
18. To what does Composition refer?
19. What is Descriptive Composition?
20. What is Narrative Composition?
21. What is Historical Composition?
22. What is Treatise Composition?
23. What is Poetical Composition?

CHART F
TOPOGRAPHY

| | | |
|-------------|--------------|-------------|
| Legibility | of the whole | Consistency |
| | | Simplicity |
| | of parts | Meaning |
| | | Relation |
| Impression | Positive | Specific |
| | | General |
| | Negative | Direct |
| | | Associated |
| Emphasis | Logical | Location |
| | | Strength |
| | Illogical | Form |
| | | Proportion |
| Arrangement | Continuity | Related |
| | | Unrelated |
| | Economy | Contents |
| | | Strength |
| Balance | Oscult | Simple |
| | | Complex |
| | Bi-symetric | Actual |
| | | Apparent |

CHAPTER VI

TOPOGRAPHY

An advertisement's first duty is to attract attention. Its next duty is to interest the reader. Interest is not always the logical result of attention; frequently the effect is of a distinctly negative character. There are many reasons for this which are not considered by many advertising men.

An advertisement is a unit of appeal consisting of several incentives. Attention to the Unit as a whole does not insure interest. To obtain this the attention of the reader must be attracted to each component incentive. The result will be most satisfactory when this is accomplished in a pleasing manner and without requiring a great amount of will-effort by the reader.

The elements which are essential for consideration in this connection are discussed under Topography. These elements may be considered as principles of criticism which may be applied to any advertisement.

Topography is Considered Under Five Headings: Legibility, Impression, Emphasis, Arrangement and Balance

Legibility refers to the ease with which the reader may assimilate the substance of the appeal. There are literally thousands of advertisements printed every year which are ineffective to a great extent, because a comprehension of their subject requires more effort than the average reader will ordinarily devote to them.

Impression refers to the effect which an advertisement produces upon the reader. Many advertisements lack in efficiency because they create an unpleasant impression, and the reader instinctively draws away from them.

Emphasis refers to the manner in which certain important incentives are given prominence in the appeal. Many advertisements fail to interest because unimportant elements are emphasized while important ones do not receive attention.

Arrangement refers to the relationships which the component units bear to each other, not only from a typographical standpoint, but also as to their logical juxtapositions. It frequently happens that interest wanes because of an inefficient arrangement of the incentives. The effect is similar to that of the salesman who loses a sale because he attempts to get the signature before the prospect has been sold.

Balance refers to the attention values of the component incentives resulting from their Legibility, Emphasis and Arrangement. While the importance of Balance can only be fully appreciated by psychological students, its effect upon the reader may be readily ascertained by placing before any housewife several well-balanced and several poorly-balanced ads, with the request that she indicate those that she likes at a glance.

The Topographical Legibility of an Appeal Refers to the Cognizability of the Entire Unit and Its Component Incentives

An advertising man asked a friend's opinion of a piece of copy that he had written. The friend read it over and suggested that one phrase be changed to simpler terms. The advertising man did not think it necessary because the phrase was in plain English and could be understood by anyone. He did not seem to appreciate the fact that the value of an ad lies not in the possibility of being understood, but in the possibility of its being not misunderstood.

Generally speaking, the reading of advertising, by the consumer, is not a pleasure, pastime or pursuit which the individual looks forward to indulging in. The consumer seldom wants to read advertising to the extent of allotting a specific time for it, nor does the consumer usually feel any pangs of

sorrow or loss at not having read advertising. As a matter of fact, the reading of advertising is generally accomplished in time which would otherwise be spent in work or pleasure. Advertising is educational and is designed to stimulate some greater activity or effort—either mental or physical—and the average person naturally dodges anything which has that tendency. Therefore, the burden put upon the advertisement is twofold. It not only has to create a desire for the article it advertises, but it has to provide sufficient stimulation to overcome the natural tendency to ignore it.

This means that an advertisement must produce at a glance an impression which creates interest in spite of the natural tendency. To do this effectively, the first-glance impression should be one which makes the reader appreciate the utility of the article from all the viewpoints embodied in the appeal. When this is accomplished, it constitutes Legibility of the ad as a whole. This applies whether the impression to be made of the utility is either general or specific. In other words, Legibility is understandability. Any part of the appeal which is not legible at a glance—which does not create an impression in passing—is waste from the standpoint of highest efficiency.

The prime elements of Legibility of the whole appeal are consistency and simplicity. If the relationships between the component incentives are not consistent, the reader must go through the mental process of adjusting the inconsistencies. This is a tax upon the will-effort and is an interest deterrent. If the headline talks business efficiency and the illustration talks pretty women and the copy talks religion, three different forms of mental activity are started and they must be adjusted to each other before the composite impression is complete. While this is highly possible, it could be accomplished in some more consistent manner. Simplicity is essential because, as we have seen, all things which have been visualized must be interpreted into terms which will create an intelligent image. This interpreting process requires mental energy and the more

complex or complicated, the greater the amount of energy is required in the process.

In addition to the Legibility of the whole appeal it is essential that there be Legibility of the component units themselves. This refers not only to visual sense but mind sense. They must not only be readily cognized as pictures and words, but their meanings must be apparent. One may be able to get a fairly clear general impression, but lose interest in the endeavor to cognize specific or detailed conditions.

The Topographical Impression of an Appeal May Be Positive or Negative

In chapter three of Consumer Conditions is given the rule, "The Quality of Stimuli may be Positive or Negative." The points discussed under this rule are directly applicable in this connection.

Positive Impressions are those which attract and interest while negatives are those which repel and destroy interest. Things which attract some people will repel others. Also some things will attract some people to a great extent while they will be only slightly interesting to others. However, there are some points of common interest to the majority of people as well as some things which are repulsive to nearly everyone.

In constructing or developing the component incentives of an appeal, great care should be employed to make certain that the impression of the appeal as a whole as well as those of the incentives will produce a positive impression upon the majority of the class appealed to. The degree of failure in this respect represents waste, because mental effort is required to overcome the repulsion.

A Positive Impression of an appeal or incentive may be general or specific. When it is general it may be a general impression as to the utility of the commodity or it may be an impression of associations, such as exclusiveness or romance or some other phase of human nature which is pleasing to the

PLATE M



Bon Ami

In the Bath Room

NO cleaning or polishing preparation compares with Bon Ami for use in the bath room.

It is the one thing you can depend upon not to scratch or wear away the surface upon which it is used. It always leaves a brilliant, clean polish.

On Porcelain, on Bon Ami and on most other tubs and fixtures it can be made to look like new.

Use Bon Ami on the Marble and Tiles and restore them to their original finish and have very good results.

Use it on the Nickel and Metal Fixtures. It leaves a bright polish and one that lasts.

For White Washboard it is equally good. It takes off the dirt, and the paint.


For use on the Mirror it is ideal. Nothing else gives such a gleaming shine to glass.

Bon Ami never injures the surface or brightens the hands.

Twenty-one years on the market—Bon Ami's standard yet!

Use Bon Ami on the very best.

Legibility—Good



CRYSTAL Domino SUGAR

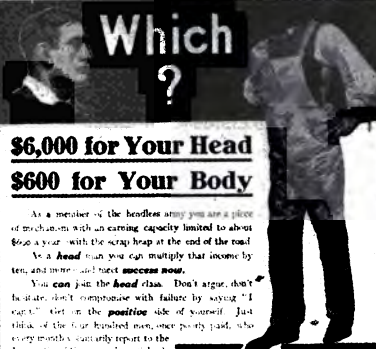
Beauty goes below the surface with Crystal Domino Sugar. Goodness and purity are in its every sparkling grain.

Each step of its refining and crystallizing is guided by modern methods of scrupulous cleanliness. It almost makes itself in a wonderful web of gleaming machinery that leaves no chance for impurity or contamination.

And this high standard of wholesomeness obtains with every other "Quality Product" of The American Sugar Refining Co. 117 Wall Street, New York.

Send the story of its making to our splendid illustrated booklet, sent on request. Address Dept. 11

Impression—Positive



Which?

\$6,000 for Your Head

\$600 for Your Body

As a member of the headless army you are a piece of mechanism with an earning capacity limited to about \$600 a year with the scrap heap at the end of the road.

As a **head** man you can multiply that income by ten, and more, and meet **success** now.

You can join the **head** class. Don't argue, don't hesitate, don't compromise with failure by saying "I can't." Get on the **positive** side of yourself. Just think of the four-headed men, once poorly paid, who every month's salary report to the International Correspondence Schools.

It is not in the money and position **duo** of C.S. help. Some of these men of success read like veritable **revelations**. Look at them in the truly **revelation** of the ability to read and write.

The solution is open to you. No matter who you are, what you do, when you live, what you earn, or for what, except of cooperation you wish to receive.

It costs nothing to find out **how** you can qualify through I.C.S. training. **Mark this coupon and learn how to make your HEAD earn ten times as much as your BODY**

| INTERNATIONAL CORRESPONDENCE SCHOOLS | |
|---|---|
| Send me a copy of your course catalog, and tell me how I can qualify for your training. | |
| Business Administration Accounting Bookkeeping stenography typewriting shorthand English French German Italian Spanish Latin Greek Hebrew Arabic Persian Chinese Japanese Russian Polish Czech Slovak Hungarian Rumanian Bulgarian Serbian Croatian Slovenian Macedonian Montenegrin Albanian Greek Turkish Persian Arabic Hebrew Chinese Japanese Russian Polish Czech Slovak Hungarian Rumanian Bulgarian Serbian Croatian Slovenian Macedonian Montenegrin Albanian | stenography typewriting shorthand English French German Italian Spanish Latin Greek Hebrew Arabic Persian Chinese Japanese Russian Polish Czech Slovak Hungarian Rumanian Bulgarian Serbian Croatian Slovenian Macedonian Montenegrin Albanian |

Name _____
 Address _____
 City and State _____
 Zip _____

Impression—Negative



An American Triumph

Whenever an American victory is proclaimed, whether in the fields of sport or industry, every American heart is filled with pride. Hence the conquest of all countries and nations by the

STEINWAY Piano

should be regarded in the light of a national achievement and supported as such. Throughout the entire world, wherever the name of the most perfect piano is asked, the answer is invariably "Steinway!"

The quality of the Steinway piano is not only a national achievement and supported as such. Throughout the entire world, wherever the name of the most perfect piano is asked, the answer is invariably "Steinway!"

STEINWAY & SONS
 177 and 189 East 14th Street
 New York
 Suburban Branches: Boston, Chicago, London, Paris, etc.

Emphasis—Good

Construction—Topography (see pages 246-247)



class appealed to. Whether it is advisable that the general impression be that of utility or association will depend to a great extent upon the commodity and the class appealed to.

A Negative Impression may be repellent because it creates an instinctive withdrawal on account of its gruesomeness, disgustingness or some similarly repulsive condition. It may also be repellent because it offends the degree of refinement attained by the class appealed to. In either instance the Negative Impression may be one of the commodity's direct application to the prospect or due to its association created by the stimuli.

There are some instances where a negative impression has been most effective, such as appeals to sympathy or to ambition. However, the success of such efforts is contingent upon the manner in which the subject is treated. A most notable instance of effective negative impression was that of "Smiling Joe." However, it was the manliness of the boy, as indicated by the cheerful smile, that brought the response, rather than the demonstration of his unfortunate condition.

Topographical Emphasis in an Appeal May Be Logical or Illogical

Emphasis is simply making prominent such points as will stimulate the reader's continued interest in the appeal. To accomplish this effectively some method is employed whereby these points of themselves constitute attention incentives. Their chief function is to offset the effect of some rival attention incentives that may exist in the reader's mind; his environment or in some other advertisement.

While all of the elements of emphasis as discussed Typography apply in Topography, there are some which are of a somewhat psychological character which can be considered only under this heading.

Emphasis may be either logical or illogical in location. In other words, the Emphasis may be placed upon the right or the wrong points—some uninteresting point may be given

undue importance or some vital point may be treated as incidental. What constitutes the logical points of emphasis is not so much a matter of the practitioner's opinion upon the subject as it is his knowledge of the commodity's utility to the class appealed to.

Emphasis may be logical or illogical in point of strength. This refers not only to the importance of the point emphasized, but also to the amount and character of energy which it stimulates. If the different points of emphasis in an appeal all stimulate high degree of nervous energy, it will require will-effort on the reader's part to reduce his registration to a point where he can readily cognize the connective or descriptive matter. Illogical strength emphasis is quite apt to occur where color is used. Where strength emphasis is illogical from the point of importance, the reader's entire attention may be confined to a point which of itself is of little interest to him.

Emphasis may be logical or illogical in form. The form of emphasis has much to do with its strength. If it is an unrelated shape it is quite apt to change the trend of the reader's thought, and while it may emphasize the point it relates to, it may tend to disconnect it more or less from the balance of the incentives. This affects the Legibility of the appeal as a whole and makes a mental readjustment necessary.

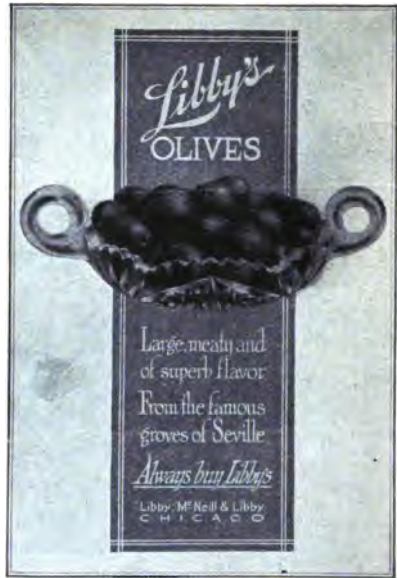
The Topographical Arrangement of an Appeal Refers to the Continuity and Economy of Its Impressions

An efficient appeal requires that the series of impressions be made in regular sequence, whether they be visual or mental impressions. Many advertisements meet the requirements of Legibility, Impression and Emphasis in a general way, but their arrangement is such that the reader has to go over it twice, filling in gaps and making such rearrangements in his own mind as will enable him to correctly image the commodity's full utility.

PLATE N



Arrangement—Good



Balance—Good

Construction—Topography (see pages 248–249)

To illustrate how the suggestion made on Plate L will work out if put into practice we will make a cursory analysis of one of the illustrations. For this purpose we will use the American School of Correspondence on Plate K.

We will first consider this ad from the points brought out in the first lecture as to its "character":

1. What is the process of this ad? Answer: Impulsive.
2. To what instinct or emotion does this appeal? Answer: Ambition.
3. What is the Basis of this appeal? Answer: Purpose.
4. What is the nature of its purpose? Answer: Satisfaction.
5. What is the action of this appeal? Answer: Dominant.
6. What form of Dominant appeal is it? Answer: Personal.

Now, taking up the "structure" of this appeal.

First, as to typography—the composition possesses strength but lacks unity to some extent. The proportion is not good as to either sizes or shapes. The Motif is utilitarian and fairly well carried out, and the Emphasis is very good.

As to Illustration. It is Naturalistic, Pictorial and relevant, with a graphic treatment which is suggestive of utility.

As to Glossonomy. The grammar is questionable from many points—notably punctuation. Diction is questionable. Composition is in treatise form, and convincing. The figure employed is exclamation, and is well conceived, relevant and effective. It possesses no property of Sublimity, Beauty or Humor.

As to Typography. The legibility of the whole and the parts is good. The impression is a positive one. The emphasis is logical. The arrangement is economical, although it is questionable whether it is logical to exclude the coupon in that unfriendly manner. The balance is not good.

Of course, this analysis is only perfunctory and far from comprehensive. Nevertheless it is suggestive. Many ads cannot be analyzed in this manner, not because the method is impractical, but because the ads are crazy-quilt hodgepodes, produced by incoherent brains.

Sometimes this is due to a poor arrangement of purely related incentive. Frequently it is due to the fact that some incentives have been embodied which are more or less unrelated to the subject, making it necessary for him to eliminate them. In either case the trouble is generally due to the practitioner's tendency to regard the proposition from his own standpoint rather than the consumer's. He forgets that the consumer is not as thoroughly conversant with the commodity's utility as he is, and he fails to realize that the consumer may not associate unrelated matter in the same manner as he would.

Another important element of arrangement is economy. The failure to appreciate the full value of the component incentives or to arrange them with due regard to their continuity may result not only in a waste of the space involved, but also of the prospect's interest. When the result is waste of space, it means that either more space is being used than is required or the results are not what they should be.

This does not mean, however, that all the space used must be jammed full of matter. Frequently and generally a liberal use of white space is most economical and failure to do so is of itself the cause of the waste.

Another element in the economy of arrangement is that it is such that no other adjacent appeal derives any benefit from the incentives which it employs, or that it is not overshadowed. An advertisement which looks fine on a coated proof sheet will frequently be lost on a page with other advertising. Therefore, the arrangement of the appeal must be considered, not only from the viewpoint of the relationship of its component incentives, but also to other appeals.

Topographical Balance May be Occult or Bi-Symmetric

Balance is a matter of equal or unequal attractions in any phase of life. A balanced bar will lose its balance as soon as more weight is placed at one end than the other. A man will lose his mental balance as soon as he is attracted to one thing

to the exclusion of all others, or he may be only partially unbalanced, but in either event he misses and does not get the benefit of many things that he would enjoy were it not for the more or less exclusive attraction.

A black spot on a white surface attracts attention. Two spots of the same size attract the same amount of attention. If one is larger than the other, the larger one attracts the greater amount of attention and if it is very large the small spot receives but little if any attention.

An advertisement is simply a collection of black, gray and white masses. The reader is attracted to them according to the degree of their attention value. The darker the masses the more attention he gives them. If the black masses in the ad are very big and very black, the balance receives very little if any attention. Therefore, it is essential that the combinations of the masses be made in such a way that all of them receive attention. Otherwise, why have them? This is known as balance. When perfect balance is had, neither the top, bottom nor sides of the ad attract more attention than the others. This does not mean that the entire ad should be solid black or gray or white, because that would be monotonous. It does mean that the attraction values should be equal.

Balance may be Bi-Symmetric or Occult. Bi-Symmetric Balance is had when the lines and color weights are similar in all sections. This is generally monotonous. Occult balance is had when the component quantities of white and black in one section would, if reduced to a single tone, be equal in attention value to the blacks and whites of the other sections under the same conditions. For instance, a square two inches wide on one side and two oblongs one by two inches each on the other side would give an occult balance.

Bi-Symmetric Balance may be actual or apparent. It is seldom actual and is usually apparent. The nearer it comes to being actual the more monotonous it becomes. Occult balance may be simple or complex. It is simple when the attraction

values are readily discernible and complex when hard to determine. Complex Occult balance is usually more pleasing, but it is also more difficult to be sure of the accomplishment.

Question Review

1. What is the first duty of an advertisement?
2. What is the second duty of an advertisement?
3. What is Topography?
4. Under what Five headings is Topography considered?
5. What is Legibility?
6. To what does Legibility of the Unit refer?
7. To what does Legibility of the Incentives refer?
8. What is Impression?
9. To what does Positive Impression refer?
10. To what does Negative Impression refer?
11. What is Emphasis?
12. To what does Logical Emphasis refer?
13. To what does Illogical Emphasis refer?
14. What is arrangement?
15. To what does continuity of arrangement refer?
16. To what does economy of arrangement refer?
17. What is Balance?
18. To what does Occult Balance refer?
19. To what does Bi-Symmetric Balance refer?

CHAPTER VII

APPLICATION

In the previous chapters of the third section of this work we have discussed the Interpretation and Construction of an advertising appeal. The balance of this section will be devoted to considerations as to the Application of an appeal.

Application refers in a general way to the method employed in the matter of presenting the appeal to the prospect. The analysis of a commodity's advertisability may be correct from every standpoint. Its scope of utility may warrant its being advertised. It may meet every requirement of Commercial, Material and Monetary considerations, as discussed under the head of "Commodities," in the first section of this work; all phases of Trade and Consumer Conditions may be properly provided for; The Form, Character and Structure of the appeal may be correct, but if the wrong application is made, the purpose of the advertising will not be accomplished. This does not necessarily mean that the merchandising of the commodity will not be successful. It does mean that the money and effort devoted to advertising represents a waste which increases selling costs and reduces profits.

The discussion of Application will involve two general considerations, i. e., Those of such general principles which relate to the purpose of the application and those general principles which relate to the mediumship of the Application. Unless it is considered from both viewpoints in a coördinative manner, the application is most likely to be inefficient.

CHART G
APPLICATION - ACTION

| | | |
|-------------|------------|--------------|
| Circulating | Delivery | Controlled |
| | | Uncontrolled |
| | Utility | Quantity |
| | | Quality |
| Stationary | Location | General |
| | | Specific |
| | Prominence | Dependent |
| | | Independent |
| | Duration | Adequate |
| | | Inadequate |
| Incidental | Periodic | Dominant |
| | | Accidental |
| | Spasmodic | Novel |
| | | Regular |

**The Application of Advertising Will Be Governed by the
Character of the Appeal**

In the discussion of the Character of an Appeal we found that it was considered from three viewpoints, i. e., Process, Action and Basis. The decision as to which phase of each viewpoint shall be employed in the construction of an appeal, is a strong factor in determining the application of that appeal.

Under the discussion of "Commodities" it was developed that every commodity possessed characteristics which are more or less peculiar to itself. These characteristics involve matters of utility from the standpoints of usefulness, quality, price and other elements, all of which, in combination, constitute its individuality. Upon the character of its individuality depends the scope of its advertisability. Under the heading of construction—in discussing the elements to be considered in determining the Character of the Appeal—it was shown that, to be really valid, the character of the Appeal must be in harmony with the Character of the Commodity's individuality.

Just as commodities possess individualities so do mediums. As in the case of a commodity's individuality being contingent upon that of its producer so is the individuality of the medium contingent upon that of its proprietor. This applies whether the medium is a magazine, newspaper, billboard, car card or a novelty of some kind, and is responsible for the fact that some mediums of any given form are more productive than others of the same class. For instance, the individuality of a medium may be such as to induce confidence. Such a medium will be more effective than one which does not induce confidence. If the reader has confidence in the medium he has confidence in the advertising it presents for his consideration. If his experience with any advertisement in a medium is such as to destroy his confidence in that particular case it also has an effect on his confidence in all advertising presented by that medium, as well as in the medium itself.

Looking at the matter from another viewpoint. Suppose the nature of the commodity is such that it is determined that the Process of the Appeal should be Impulsive. A medium which of itself appeals to the Impulsive individual will be more effective than one which interests people possessing Deliberative mentalities. Again if it is decided that the Action of the Appeal should be a dominant one, a medium that is read only by people who wish to arrive at their own conclusions will not be so productive as one read by people accustomed to let others think for them. This may seem to be an unusual phase, but it is not. There are many people like this and there are many mediums which appeal to them and they are not of necessity limited to the magazine or newspaper fields. Applying the same idea to the third phase of the Character of the Appeal, if it appears that the Basis of the appeal should indicate the Commodity's Purpose rather than its Principle, the medium which is read more exclusively by those who consider things from the broader viewpoints of general utility or satisfaction will yield a larger percentage of returns than one which is only read by people of an analytical turn of mind.

While there are some mediums whose individualities, resulting from various causes such as purpose, editorial policy, appearance, price or other things, appeal to the purely deliberative mind, and still others which for like reasons appeal to the purely impulsive person, there are between the two extremes a large number whose make-up appeals more or less to both classes in varying degrees. To determine the real utility of any one of these as it meets the requirements of an appeal with a clearly defined character, requires an analysis which is fairly exhaustive. This calls for more mental effort than many advertising men are willing to devote to matters of this kind, with the result that the appeal is only partly efficient. In many instances such an analysis would

indicate that a readjustment of the mode of expression, to a greater or lesser extent, would make the appeal more effective.

The Application of an Appeal May Be Directed at the Consumer, the Retailer, or Both

In determining the application of the appeal, from this viewpoint, it is essential that a decision should be reached as to which is the more important objective, the consumer or the retailer. This will depend upon the utility of the commodity from the viewpoint of either. This also involves a consideration of the various phases discussed under "Commodities" and "Conditions."

If the scope of a specific brand's utility is no greater than that of any other commodity in the same class, the direction of the advertising toward the consumer will not accomplish more than to stimulate a greater demand for the class of the commodity it represents. If several manufacturers of commodities possessing equal utilities are advertising, the demand for a brand is any one's game with the non-advertiser generally getting the best of it from a net profit standpoint. Of course, if only one brand in the class is advertising it has the advantage over the others of a distinct and effective form of emphasis.

However, if one of these brands is produced under conditions which enable the manufacturer to allow the retailer a better profit or if it is a part of a line which is generally profitable, the dealer is the logical objective.

On the other hand, if the specific brand in question possesses one or more exclusive utilities which are of especial value to the consumer, the consumer is the logical objective and the application of the advertising should be directed accordingly.

Many advertising campaigns could be conducted on a more effective basis if a logical conclusion upon this subject

had been reached at the beginning. Few advertising men give it the consideration that it warrants.

The Application of Either Consumer or Retailer Advertising May Be Either Direct or Indirect

In discussing the Application of advertising from the standpoints of either Directness or Indirectness, there are two distinct phases involved. One may be considered as the phase of its operation, the other the phase of its effect.

The phase of operation is simply that of method. Directness of application, from the standpoint of this phase refers to the direct delivery of the advertising to the prospect personally, as by mail or in any manner by which the personal receipt of the advertising by the prospect is pre-determined. Indirectness of application from this viewpoint refers to some method of application whereby the receipt of the advertising by the consumer is contingent upon some more or less related influence. For instance: Advertising in magazines or newspapers is contingent upon the purchase of the medium by the prospect.

Whether Direct or Indirect Application from the viewpoint of operation is the most efficient, will depend upon circumstances. There are some conditions where Direct Applications are obviously best while in others it would be highly impractical.

The discussion of Directness or Indirectness of Application from the viewpoint of effect, considers the matter in what might be termed an ostensible manner. There are some instances where circumstances make it possible to apparently address an appeal to the consumer when its real purpose is to influence the retailer, or to gain his coöperation. There are times when this is logical, but quite frequently the method is employed in an illegitimate manner. In such latter cases a limited amount of consumer advertising is employed to deceive the retailer into the belief that the manu-

facturer is going to create a great demand as the result of an extensive advertising campaign. However, its more legitimate use is to convey to the consumer some information designed to stimulate retailer coöperation. Conversely the process may involve conveying to the retailer such information as would naturally be conveyed to the consumer. However, in such cases the purpose is to educate the retailer regarding such elements of consumer utility as will obviously insure a steady or an increasing demand for the commodity.

**The Application of Consumer Advertising May Be Dependent on
or Independent of Retailer Coöperation**

In the discussion of Sales Policy in the second section of this work it was shown how the sales policy could be direct or indirect. When direct the process is employed it involves a direct sale from manufacturer to consumer. When the Sales Policy is an indirect one, it involves selling to the consumer through one or more intermediaries—for instance, agents, or retailers and in many cases through a jobber also.

When the sales policy is a direct one, the manufacturers sell directly to the consumer, through the mail or else through his own local stores. This may involve either one of two forms of application under either circumstance. In one case the purpose may be to either make a sale direct from the ad or circular either by mail or in the local store, or it may be designed to induce the consumer to send for information and further details regarding the proposition, such as a catalogue soliciting a direct order or one designed to send the inquirer to the local store.

On the other hand, when the sales policy is an indirect one, the application of the advertising is dependent to a great extent upon the coöperation of the retailer. Frequently the failure to insure this coöperation is responsible for a lack of adequate returns.

In either event there are obstacles to be overcome. In both cases the obstacles differ widely. The importance of this consideration is that the practitioner fully understands the nature of these obstacles and makes his application meet the requirements of the situation. When the Application is Dependent upon retailer-coöperation it must be made in such a manner as will strongly offset any tendency of the retailer to withhold his coöperation. When it is Independent it must be designed to make the consumer feel that any extra labor involved will be amply repaid by the result.

The Application of Retailer Advertising May Be Dependent on or Independent of Jobber Coöperation

There are some lines of trade in which the Jobber is a most important factor and in these lines there are some specific classes of commodities, especially those that have to meet both extensive and intensive competition, wherein jobber coöperation is a most important factor. This may be even further amplified by the trade customs as they apply in some specific section of the country.

There are also circumstances wherein the merchandising customs are such that jobber coöperation is not generally considered to be an important factor, but where the proper application of the advertising can stimulate such coöperation as will make possible an exceptionally low selling cost.

In either event failure to give due consideration to the jobber phase is quite apt to impair the effectiveness of the advertising if not to render it practically useless. In cases where the retailer is very close or possibly under obligations to his jobbers, it is a mighty difficult problem to satisfy consumer demand without jobber co-operation and the consumer's desire for specific brand of commodity will be reduced to a state of being satisfied by any meritorious commodity in that class.

Therefore it behooves the advertiser to determine fully just what relation the jobber bears to the merchandising customs in connection not only with the line or class of commodity, which the commodity under consideration belongs to, but also as to how the matter stands in the specific section or sections in which the advertising is to be applied. Otherwise the effect of his advertising may be to create a demand for some other brand of commodity belonging to the same class. There is much spoken and written about the passing of the jobber, but an investigation of the jobber situation develops the fact that in many lines jobber strength is increasing rather than decreasing.

Question Review

1. To what does application refer?
2. What are the two general considerations of Application?
3. What will the application of advertising be governed by?
4. How does the Process of an appeal affect this consideration?
5. How does the Basis of an appeal affect this consideration?
6. How does the Action of an appeal affect this consideration?
7. What may the Application of advertising be directed at?
8. What are the considerations when it is directed at the consumer?
9. What are the considerations when it is directed at the retailer?
10. What are the considerations when it is directed at both?
11. What may the Application of either consumer or retailer advertising be?

12. What are the considerations in cases of Direct Application?

13. What are the considerations in cases of Indirect Application?

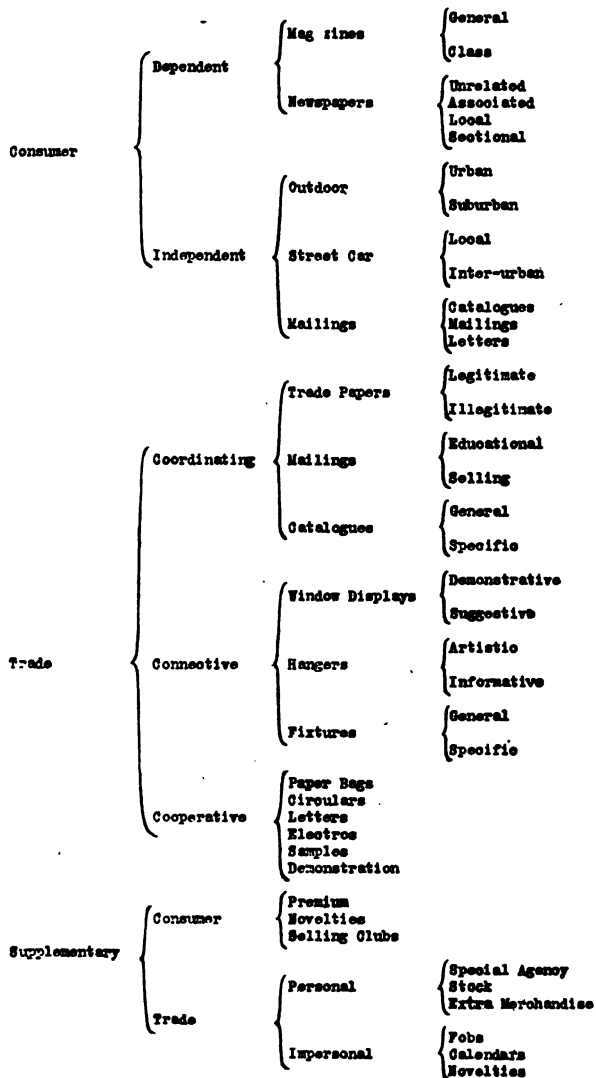
14. What may consumer application be as regards Retailer Coöperation?

15. What are the considerations when it is Dependent on Retailer Coöperation?

16. What are the considerations when it is Independent of Retailer Coöperation?

17. What may the Application of retailer advertising be?

CHART H
APPLICATION - MEDIUMS



1. The first step in the process of creating a new product is to identify a market need. This can be done through market research, which involves gathering information about the target market and its needs. Once a market need has been identified, the next step is to develop a product concept. This involves creating a detailed description of the product, including its features, benefits, and target market. The product concept is then used to create a business plan, which outlines the company's goals, strategies, and financial projections. The business plan is then used to secure funding from investors or lenders.

2. The second step in the process of creating a new product is to develop a prototype. This involves creating a small-scale model of the product that can be used to test its feasibility and make any necessary adjustments. The prototype is then used to create a final product, which is then marketed to the target market. The final product is then evaluated based on its performance, customer feedback, and sales. If the product is successful, the company may consider expanding its production and marketing efforts.

3. The third step in the process of creating a new product is to create a marketing plan. This involves developing a strategy for promoting the product and reaching the target market. The marketing plan may include a variety of tactics, such as advertising, public relations, and sales promotion. The marketing plan is then implemented, and the company monitors its progress and makes any necessary adjustments.

4. The fourth step in the process of creating a new product is to evaluate the product's performance. This involves gathering data on the product's sales, customer feedback, and overall performance. The data is then analyzed to determine the product's strengths and weaknesses, and to identify areas for improvement. The company may then make adjustments to the product or its marketing strategy based on the results of the evaluation.

5. The fifth step in the process of creating a new product is to create a distribution plan. This involves developing a strategy for getting the product to the target market. The distribution plan may include a variety of tactics, such as direct sales, retail, and online sales. The distribution plan is then implemented, and the company monitors its progress and makes any necessary adjustments.

CHAPTER VIII

MEDIUMS

Mediums consist of such agencies as are employed to present the appeal to the prospect's attention.

Whether such an agency consists of a blotter, form letter, newspaper, magazine or an illuminated display sign, it is a medium.

Most mediums are good. The fact that a medium does not produce results is not evidence that it is a poor medium. It is more generally evidence that it is not a logical medium or that it has not been made proper use of. That is the fault of the advertising man.

Mediums are considered here under two headings, i.e., Action and Classes. Action refers to such fundamental elements as are responsible for the value of any medium as such. Classes considers the various kinds of mediums that may be employed and the principles which constitute their individuality.

The Action of a Medium May be Circulation, Stationary or Incidental

When a medium is employed it will be of great assistance if the scope of its activity is known. If this is known it possesses greater value because it permits of a closer and more effective coöperation on the part of any other advertising that may be employed as well as a more efficient coördination of the general sales policy and selling organization.

Circulating mediums are those which, as the term implies, circulate to a greater or lesser extent in a limited or an unlimited territory. Under this head are included newspapers, magazines, mailings of various kinds, street car cards and sample distributions. Their value is contingent upon certain

fundamentals which if understood will enable the advertising man to make his selection with a greater degree of intelligence.

Stationary mediums are such as do not circulate. They are fixed quantities and the scope of their activities is practically limited. Under this head are included such mediums as billboards, painted, posted and illuminated; signs displayed in stores and along highways; demonstrations in stores and at summer resorts; lantern slides and numerous others. There are likewise certain principles which indicate the value of stationary mediums.

Incidental mediums differ from both circulating and stationary mediums, in that they are not employed in such a universal or regular manner. Because of this there has not been a sufficient opportunity to classify and determine their relative values nor to develop either their construction or co-ordination in a manner that permits of the same degree of efficiency as in the other two cases. Under this head are included such mediums as special exhibits, floats, kites, lantern slides, directory advertising, theater and special program advertising and similar mediums. In many cases Incidental mediums have been very effective. Frequently they are not. Much depends upon the conditions under which they are used and the character of the appeal employed.

In considering the value of mediums from the standpoint of action, the discussion will not involve principles of the propriety of employing it. The purpose is simply to consider those fundamental principles which are responsible for the value of a medium.

The Value of Circulating Mediums is Considered from the Standpoint of Delivery and Utility

Whether a circulating medium consists of a magazine or a mailing its value will be contingent upon the manner in which it reaches the consumer and the possibility of its falling into the hands of the greatest possible number of logical prospects.

The value of a circulating medium, from the standpoint of Delivery, depends upon whether the Delivery is controlled or uncontrolled. By this is meant the ability of the advertiser to possess a definite knowledge of the scope of the territory in which the medium circulates. The possession of this knowledge may be the result of selection by the advertiser or a statement of circulation on the part of the medium's proprietor. Some mediums go to certain classes, others go to certain sections. Still others have no clearly defined class or sectional circulation. To illustrate more concisely, there are some New York newspapers which publish Brooklyn and New Jersey editions. Other papers use the same edition in all sections. The advertiser desiring to appeal only to Brooklyn people is able to control the circulation of his appeal, in the former case, by only buying space in the Brooklyn edition. This makes it unnecessary for him to buy waste circulation and precludes the possibility of his creating consumer passiveness resulting from an unsatisfied demand.

The value of a circulating medium from the standpoint of Utility depends upon the quantity and quality of the circulation. Some people consider quantity as the prime factor. The decisions of others are guided by the quality of the circulation. Much can be said in favor of both viewpoints without arriving at any logical conclusion when the matter is considered in a purely abstract way. As in nearly all other phases of advertising, the question as to whether quantity or quality possesses the greatest utility will depend to a great extent upon the commodity and the class of people appealed to as well as the character of the appeal itself. Under some conditions quantity is obviously the main consideration. On the other hand there are many cases where all circulation paid for, which lacks a specific quality, represents a waste. For instance, to advertise machinery in a medium of whose circulation only one percent are machinery buyers, means that the advertiser is paying for 99 percent waste circulation. Of

course there is always a gambling chance, but that can hardly be considered "good business" as a basis for regular procedure.

The Value of Stationary Mediums Is Dependent Upon Elements of Location, Prominence and Duration

The location of a stationary medium is an important factor in determining the nature of the appeal or conversely the selection of a location is largely dependent upon the location of the medium or mediums. Locations in some instances are such that they offer highest utility when they are an agency of general appeal. On the other hand it frequently occurs that they constitute logical mediums for some form of Definite appeal. In the first instance the utility is one of creating a desire or interest in a general way which will have sufficient strength to retain its force until the commodity is accessible to the prospect. When their value lies in their utility for Definite impression, it is because their location is such that they make their appeal to the prospect in locations where the commodity is immediately accessible and therefore permit of a definite suggestion for immediate action. It is of little avail to admonish the consumer to ask his dealer for a brand of breakfast food on a billboard situated along the railroad in the middle of the Nebraska prairies. However, it is quite logical to do so on a billboard located next to a Grocery store.

Prominence as it relates to Stationary Mediums refers to either Dependent or Independent Prominence. Dependent Prominence may involve prominence resulting from either natural or artificial environment alone, or may be created by its relation to a number of similar mediums operating co-operatively. In the former case the natural environment may consist of an eminence which is in plain view of a large area, while artificial prominence may be the result of the construction of a railroad or some other highway which leads people close to the point at which the medium is located. It is quite possible that a single medium in such a location would not

possess sufficient attention value to give it prominence, but there were several located at the particular point the combined attention value might give prominence to each. When prominence is Independent, it may be that the nature of the medium of itself possesses sufficient attention value. For instance, an illuminated display seldom fails to gain attention. Likewise a stereopticon is certain to attract attention. There are many forms of mechanical mediums which receive attention because of their action.

The value of a Stationary medium as regards Duration refers to the conditions which govern the length of time in which the subject of the appeal is in view of the prospect. In the case of displays along railroad this element involves the length of time taken by the train in passing the point and the number of such displays which must be assimilated in that time. In the case of mechanical contrivances the length of time allotted to each "turn" is the consideration, as is also so in the case of Stereopticons.

The Value of an Incidental Medium May Be Regular or Irregular

An opportunity for the repetition of an appeal is always an important factor in considering the value of a Medium. In the cases of both Circulating and Stationary Mediums this element is practically always a reliable factor. In the case of Incidental Mediums, however, the presence of this element is not always an assured fact.

There are some forms of Incidental Mediums in which this element is such an important factor that they are entitled to a classification as Regular Incidental Mediums, while this is so entirely lacking in the cases of others that they must be considered as Irregular Incidental Mediums.

Among the Regular class may be considered such theater programs as are found in a series of theaters. If an ad is inserted in the theater program of a single theater, it only has an opportunity to make a one time impression. But if the

same ad appears in a number of theater programs the opportunity for repetition is given. The same consideration applies to theater curtain advertising. In the case of Directories the opportunity for repetition is afforded from another standpoint. In such cases the value is contingent upon the probable frequency with which the average individual will make use of it.

The value of an Irregular Incidental Medium might be said to be almost entirely dependent upon its location, prominence and duration. However, there are still further important considerations such as construction, relevancy, propriety and others. For instance, an attractively constructed float well placed in a parade at some special proceeding may be of great value. If it is constructed in such a manner as to connect it with the purpose of the parade its value will be greater. Kites, balloons and similar things are of value almost entirely because of their prominence.

In the case of Incidental Mediums of all kinds their chief value lies in their supplementing, at more or less opportune times, some other forms of advertising that are already being employed. When they are employed by themselves, their value is generally a doubtful matter.

Question Review

1. What are Mediums?
2. Under what two headings are mediums considered?
3. To what does the Action of Mediums refer?
4. To what does classes of mediums refer?
5. What may be the Action of a medium?
6. What are Circulating Mediums?
7. What are Stationary Mediums?
8. What are Incidental Mediums?
9. How is the value of a Circulating Medium determined?
10. To what does Delivery of a medium refer?
11. To what does Utility of a medium refer?

- 12. How is the value of a Stationary Medium determined?**
- 13. To what does Location of a medium refer?**
- 14. To what does Prominence of a medium refer?**
- 15. To what does Duration of a medium refer?**
- 16. How is the value of an Incidental Medium determined?**
- 17. What is a Regular Incidental medium?**
- 18. What is an Irregular Incidental Medium?**

CHAPTER IX

MEDIUMS (*Continued*)

Under the heading of "Application" we discussed the various ways in which the force of advertising could be applied. This Chapter will consider, in a general way, the mediums by means of which the various forms of application can be made.

As will be remembered there were various ways in which the application of advertising could be directed at either the consumer or the retailer and either could be made dependent upon or independent of the other. In this discussion was included considerations of both usual and unusual forms of application; for instance such as are usually employed in a bona fide consumer appeal or on the other hand an ostensible consumer appeal designed to influence the retailer.

The consideration of mediums in this chapter will be from the standpoint of classes and their relationships will of necessity have to be discussed solely as mediums—regardless of the uses which may be made of them.

Mediums May Be Grouped Under Three General Headings, i. e., Consumer Mediums, Trade Mediums and Supplementary Mediums

All mediums which from their nature will most generally present an appeal to the consumer, and by this is meant the ultimate consumer are known as consumer mediums. This applies whether the medium is general or technical in character. Such mediums may be Circulating, Stationary or Incidental as discussed under the heading of Action.

Mediums which from their nature will present the appeal only to a middleman-retailer or jobber, are known as trade

mediums. In considering trade mediums misunderstandings sometimes arise due to a confusing of the utility of a Technical or Class medium with that of a Trade medium. There is a very important distinction which, if properly appreciated, might preclude some unfortunate misconceptions from the standpoint of the character of the appeal to be employed. A Technical medium appeals to the members of some specialized productive trade or profession and their interest in any commodity lies in its utility to them. A Trade paper on the other hand appeals to those in some specialized distributing trade and their interest in any commodity lies in evidence of its utility to others.

There are many instances where, because of competitive or other reasons, the mediums ordinarily employed do not offer a sufficient consumer incentive to meet the requirements of the situation. In such cases it becomes necessary to employ something in addition to the usual mediums for the purpose of supplementing or strengthening the regular appeal. These are known as Supplementary mediums, and while they may not always constitute mediums as the word is generally interpreted they must be so considered because of their utility as such. The employment of Supplementary mediums has been an extremely important factor in many cases where a commodity's utility must be a matter of assumption or belief on the consumer's part rather than a matter of definite knowledge. In fact there have been many notable instances where Supplementary mediums have proven very effective without the use of any other Form of Appeal.

In the discussion of what constitutes a medium it is frequently customary to speak of labels, cartons or even quality as an advertising medium. This is misleading and liable to cause confusion. A label, carton or quality is an integral part of the commodity itself. The word utility refers to the permanent demand for a commodity per se regardless of whether that demand is due to psychological causes or is the

result of its actual usefulness. If the demand persists because people are attracted by the label or because it assists in the matter of identification or as the result of suggestion these are all utilities which are inherent in the commodity as it is offered to the public. Advertising cannot increase a commodity's utility but it may increase the scope of a commodity's utility. The discussion of labels, cartons, quality and kindred matters should be confined to its proper department, namely, Commodities, which constituted the first section of this work.

Consumer Mediums May Be Dependent or Independent

Some mediums depend upon the consumer's interest in them for their utility. Others present the appeal to the consumer whether she is interested or not. The former are Dependent mediums while the latter are Independent mediums.

Dependent mediums involve practically all such forms as are paid or subscribed for by the consumer. The degree of their utility is generally contingent upon the extent to which they are subscribed for on their own account rather than because of some special incentive given to induce the subscription. Many mediums are subscribed to because of some premium or present which is given as an inducement. If the character of the medium is such that it obtains and retains the subscriber's interest it may prove a profitable medium; otherwise its value is doubtful.

Under the head of Dependent mediums are included more particularly magazines and newspapers of various kinds. In the lists of magazines will be found many which are of a general character while there are many others whose utility is confined to certain classes of people. Some class magazines for instance make their appeal to women generally while others confine their utility to mothers or teachers and so on. It is presumable that an article which is designed to appeal specifically to mothers will find a larger percentage of prospects among the subscribers to a magazine devoted to mothers,

although much will depend upon the class of mothers who subscribe most generally to a particular magazine. On the other hand there are many commodities that are of interest to all women whether they be mothers or unmarried. A decision as to whether general or class mediums are most desirable in a specific instance will depend to a great extent upon the character of the appeal that is to be employed.

Newspapers, like magazines, may appeal to the general public or to classes, although the distinction is not such a general one excepting perhaps in the case of Foreign Language publications, many of which, because of their character, approximate the magazine very closely. However, in the case of newspapers there exists a form of distinction which differs from any that is found generally in the magazine field. Many newspapers are purely local in their utility while others are sectional and even national to some extent. There are many instances in which, for reasons discussed under "Conditions," it is desirable to confine the appeal to those residing within a certain area either local or sectional. Under such conditions it would obviously be wasteful to employ national mediums.

The proprietor of the magazine will contend that his medium is the most economical and the newspaper proprietor will make the same contention. Whichever is the case will depend not only upon the commodity or the class appealed to but very largely upon the sales policy and selling organization of the producer as well as upon both trade and consumer conditions. There are some cases where the magazine will be most effective while in others the newspaper is the logical medium. Many a manufacturer has wasted large sums in the endeavor to make newspaper advertising meet the requirements of conditions that called for magazine advertising and vice versa.

Under the heading of Independent mediums is included Outdoor Display of all kinds, Street Car Advertising and direct-to-consumer mailings as well as many of those included under the heading of Incidental mediums. All of these me-

diums are presented to the consumer's attention without calling for any evidence of specific interest in the medium on the consumer's part. While there may be a seeming exception in the case of the Street Car Advertising, based upon the fact that car fare must be paid, yet the fare is paid because of the convenience rather than on account of any personal interest in the medium.

The elements of value in the various forms of Outdoor Advertising were considered in a fairly comprehensive manner in the preceding chapter under "Stationary Mediums." In addition to those considerations their utility might be considered from the standpoint of location in a general sense as to whether they are Urban, Suburban, Rural or Railroad locations. There may be particular instances where any one of these locations might possess a greater utility than any of the others.

The principles of Utility underlying Street Car Advertising were outlined quite thoroughly in the preceding chapter under "Circulating Mediums." In many sections of the country there exists an additional element which is similar to newspaper advertising in that there is presented the opportunity for a purely local presentation of the appeal in cars which are confined to strictly local operation or in cases of interurban transportation companies the cars permit of a more or less sectional presentation.

As to direct-to-consumer mediums and others included under Independent mediums their utility will depend to a great extent upon their form and the character of the appeal employed and also the construction, as these elements relate to a specific condition. In addition to this they partake more or less of all the benefits accruing from "Controlled Delivery" as discussed under "Circulating Mediums."

Trade Mediums May Be Coördinating, Connective or Coöperative

Trade mediums it will be remembered consist of such as appeal to the party interested in a commodity purely from the

standpoint of its utility to others and the consequent possibility of their profiting by that utility. When the function of such a medium is to inform the Trade regarding the commodity or its utility it is a coördinating medium. When the purpose of a trade medium is to connect the retailer's store with the commodity or to stimulate retailer demand without involving expense to the retailer it is a connective medium; when some form of action is required of the retailer in connection with a Trade medium it may be considered as a coöperative medium.

Coördinating mediums include such forms as Trade Papers, Trade Mailings and Trade Catalogues. As to the value of Trade Papers much will depend upon the character of the publication in question. Some Trade Papers are legitimate in that they are published with the bona fide intention of appealing to a trade. Others might be considered as illegitimate because their sole purpose is to get advertising. In the field of legitimate trade papers some are good while others are not published intelligently and in some Trades a large percentage of the subscribers are unable to really comprehend their Trade Paper's utility. The value of Trade Mailings depends upon the nature of the mailing as it meets the requirements of the situation. In some cases purely educational mailings will be effective while in others those designed to produce immediate orders will prove most profitable. Catalogues comprehend a wide range of printed matter including both bonud and loose leaf types which may be general or specific in their treatment of the utility of the commodities described.

Connective Trade mediums involve such things as Hangers, Window Displays and Special Fixtures and similar things which are supplied by the manufacturer to the Retailer without cost. The purpose of such mediums is to connect the Retailer's store with such other forms of advertising as may be employed, thereby enabling the consumer to locate the commodity readily and also stimulating the retailer interest in the goods.

The value of any such mediums will be contingent upon the manner in which they meet the requirements of construction as discussed under "structure" as well as "character" as the manner in which they meet the specific conditions under which they are employed. Connective mediums if properly constructed and intelligently distributed are quite apt to be effective because they generally help out the appearance of the store from either a furnishing or decorative standpoint, relieving the retailer of an expense which might otherwise be necessary.

Coöperative Trade mediums comprise those things which are supplied by the manufacturer that require some form of coöperation on the part of the retailer before they become effective. Under this heading may be included such things as circulars, electros, letters, samples, paper bags, demonstrations and other similar things. The strong element in favor of coöperative mediums lies in the fact that when the retailer has become interested sufficiently to lend his personal efforts in making the medium an effective one he is most likely to take a greater interest in the commodities which they advertise in order to recover the value of the effort he has put forth. The greater the effort required of the retailer the greater will be the interest he will take in the commodity. However, the greater the effort the more difficult is it to induce him to put forth that effort whether it be in the form of money expended by him as in advertising or some form of labor such as giving away samples. Many advertising men commit the error of assuming that most retailers are delighted at the opportunity to coöperate in some way, and waste large sums as the result of this assumption. In point of fact the retailer requires to be "sold" the utility of the coöperation and sometimes this is more difficult than selling him actual merchandise.

Supplementary Mediums May Appeal to the Consumer or to the Retailer

When, as stated before, conditions are such that something in addition to the usual forms of advertising is required, the

manufacturer frequently employs some special methods to gain either consumer or retailer interest in his commodity which may be termed Supplementary Mediums. These generally constitute incentives because they give some real or assumed benefit which is more or less entirely distinct from any utility possessed by the commodity itself. It is maintained by many that to employ such methods is not strictly in accord with the real scope of merchandising. On the other hand they have been the means of creating and sustaining demand for many commodities, which fact would seem to justify the practice. However, much depends upon the manner in which they are employed. Strictly speaking, all merchandising should be built around the commodity. So long as the commodity constitutes the main issue the process may be considered as legitimate merchandising. However, when the commodity is forced to take second place in point of importance the plan may be considered as more or less illegitimate merchandising. In many instances the demand for inferior commodities is created and sustained entirely because of some unrelated benefit enjoyed by the consumer or the retailer. However, when supplementary mediums are employed properly, they can be very effective because they give greater intensiveness to the selling plan.

Consumer Supplementary Mediums comprise such forms as Premiums, Novelties, Selling Clubs and many other special consumer incentives. One of their chief values lies in the fact that they establish a point of direct contact between the Manufacturer and his Consumers. Each of these forms has been used with varying degrees of success by numerous manufacturers. The condition under which they will be profitable is a matter requiring individual consideration. Many of the elements involved have already been discussed at some length in previous chapters under the Form and Character of an appeal.

Trade Supplementary Mediums are of two classes, i. e., those from which the retailer derives profit in addition to that

which he makes on the Merchandise itself and those which gain his interest because of their own utility to him personally. In the first class are included such incentives as Stock in the manufacturing concern, Extra Merchandise and Special Agencies. The utility of these incentives was considered extensively under the heading of Sales Policy in the second section of this work. In the second class are included various forms of personal presents which may range all the way from an inexpensive stick pin or fob up to some valuable article such as an automobile. Within this range are such things as novelties of all kinds—calendars and kindred things. As to their utility, much depends upon circumstances, and the best thing in any particular instance can only be determined after considerable analysis. However, it is a basic principle that the process involved should be as closely related to the regular sales policy as conditions will permit.

Question Review

1. From what standpoint have mediums been discussed in this Chapter?
2. Under what three general headings may mediums be grouped?
3. What are Consumer Mediums?
4. What are Trade Mediums?
5. What are Supplementary Mediums?
6. What may Consumer Mediums be?
7. What are the chief forms of Dependent Consumer Mediums?
8. What are the chief forms of Independent Consumer Mediums?
9. What constitutes the distinction between Dependent and Independent Consumer Mediums?
10. What may Trade Mediums be?
11. What are the chief forms of Coördinating Trade Mediums?

12. What are the chief forms of Connective Trade Mediums?
13. What are the chief forms of Coöperative Trade Mediums?
14. What are the distinctions between the three forms of Trade Mediums?
15. To whom may Supplementary Mediums appeal?
16. What are the chief forms of Consumer Supplementary Mediums?
17. What are the chief forms of Retailer Supplementary Mediums?
18. What is the distinction between Consumer and Retailer Supplementary Mediums?
19. What two classes of Trade Supplementary Mediums are there?
20. What is the basic principle underlying the utility of Supplementary Mediums?

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